



CHARLES UNIVERSITY IN PRAGUE
FACULTY OF SOCIAL SCIENCES
Institute of Political Studies

Master thesis

2016

Anastasia Ponomarenko

CHARLES UNIVERSITY IN PRAGUE
FACULTY OF SOCIAL SCIENCES
Institute of Political Studies

Anastasia Ponomarenko

**Economic regionalism on the example of the
Shanghai Cooperation Organisation**

Master thesis

Prague 2016

Author: Bc. Anastasia Ponomarenko
Academic year: 2015/2016
Supervisor: Ing. Martin Riegl, PhD.

BIBLIOGRAPHIC NOTE

Anastasia Ponomarenko. 97p. Master thesis. Charles University, Faculty of Social Sciences, Institute of Political Studies, Academic Supervisor Ing. Martin Riegl, PhD.

ABSTRACT

In the work on the example of Shanghai Cooperative Organization we try to discover what impact execute globalization and regional integration on the world policy, how such associations promote the economic environment of the involved countries and what benefits could be obtained through such cooperation in the view of safety. Region of Central Asia has its peculiarities because of the differences in culture, mentality and economic development that should be taken into consideration at planning of the joint activities. The potential of SCO is defined, first of all, by participation in it of such countries as Russia and China. Both of these states are interested in stable political and economic development of the Eurasian region, and ensuring its safety.

KEYWORDS:

Regionalism, Shanghai Cooperation Organization, China, Russia, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, India, Pakistan

Declaration of Authorship

1. The author hereby declare that he compiled this thesis independently, using only the listed resources and literature.

2. The author hereby declare that all the sources and literature used have been properly cited.

3. The author hereby declare that the thesis has not been used to obtain a different or a same degree.

Prague, 29.07.2016

Anastasia Ponomarenko

ACKNOWLEDGMENT

I would especially like to thank my supervisor Ing. Martin Riegl, PhD.

MASTER THESIS PROPOSAL

Institute of Political Studies
Faculty of Social Sciences
Charles University in Prague

Date: 8.10.2014



Author: Anastasia Ponomarenko
E-mail: [REDACTED]
Phone: [REDACTED]
Specialisation: IEPS

Supervisor: Ing. Martin Riegl, PhD.
E-mail: riegl@fsv.cuni.cz
Phone:
Defence Planned: September 2016

Proposed Topic:

“Economic regionalism on the example of the Shanghai Cooperation Organisation.”
--

Topic Characteristics

In my Diploma Thesis we describe Shanghai Cooperative Organization (SCO) an example of regional organization of developing countries. Organization also belongs to the biggest regional multi-leveled associations of the states, and its potential is defined, first of all, by participation in it of such countries as Russia and China. As these countries are the leaders and “rod-states” of SCO, in some parts of our work the attention is focused on them. As a result of the implemented research we’d like to get a complex generalized research devoted to economic interaction of the countries of SCO, that previously has not been carried out by someone.

Working hypotheses

- 1) Despite the existing problems and disagreements in the organization, its development and successful functioning are of great importance both for participants, and for all international community in general.
- 2) The potential of SCO is defined, first of all, by participation in it of such countries as Russia and China. Both of these states are interested in stable political and economic development of the Eurasian region, and ensuring its safety.
- 3) Economic cooperation and activity of SCO countries will be more successful under condition of development of transport communications in the region.

Methodology

Methodological base of the research is the complex of general-logical and general-scientific methods of deduction and induction, the analysis and synthesis; research methods of the modern humanitarian disciplines: ratios of historical and logical, structurally functional, comparative, civilization approaches, which use are heuristically and gnoseologically justified by the goals

and objects of this Master Thesis.

Outline

1. Introduction
 - 1.1 Theoretical background and the review of world literature
 - 1.2 Methodology
2. Regional integration: theoretical and methodological fundamentals
 - 2.1 Regionalism: new social-economic reality and new regional politics
 - 2.2 Region «Central Asia»: borders and basis of possible integration
 - 2.3 Shanghai cooperation organization as integrative institution: synthesis of theory and practice
3. Shanghai cooperation organization: coordination of economic interests
 - 3.1 Economic problems of strategic development SCO at regional and global levels
 - 3.2 Ways for overcoming of development problems and perspective directions of economic cooperation within SCO
 - 3.3 Peculiarities of member-countries of SCO
 - 3.3.1 Interests of RF and China in SCO
 - 3.3.2 Kazakhstan and SCO: main results and problems of interaction
 - 3.3.3 Constructive role of Uzbekistan in SCO
 - 3.3.4 Problems and perspectives of Kyrgyzstan membership in SCO: military-political aspect
 - 3.3.5 Positive sides of Tajikistan membership in SCO
 - 3.3.6 India and Pakistan in SCO – entering process
1. Conclusion
2. Literature
3. Appendix

References / Bibliography:

1. Aleksandr Tatarkin (2010): Shanhajskaja organizacija cotrudnichestva: ekonomicheskaja integracija I nacionalnyje interesy. *Institut ekonomiki UrO RAN*
2. Anatolij Klimenko (2009): Strategija razvitija Shanchajskoj organizacii sotrudnichestva. *Institut Dal'nego Vostoka RAN*
3. Borivoj Hnizdo (2004): Globalization and regionalism in East Central Europe and East Asia: comparison. *Institute of Political Studies, Faculty of Social Sciences, Charles University in Prague*
4. Eva Cihelková, Pavel Neumann (2000): Globalizace, regionalizmus a centra světové ekonomiky. *Vysoká škola ekonomická, Katedra světové ekonomiky*
5. Mary Farell (2005): Global Politics of Regionalism: theory and practice. *Pluto Press*
6. Michael Wesley (2003): The regional organizations of the Asia Pacific: exploring institutional. *Palgrave Macmillan*
7. Sheila Page (1999): Regionalism among developing countries. *Macmillan Press*

8. Stephen Aris (2011): Eurasian regionalism: the Shanghai Cooperation Organisation. *Palgrave Macmillan*
9. William D. Coleman, Geoffrey R.D. Underhill (1998): Regionalism and global economic integration: Europe, Asia and the Americas. *Routledge*
10. Zhang Yunling, Hackensack (2010): China and Asian regionalism. NJ : *World Scientific*

CONTENT

MASTER THESIS PROPOSAL	7
LIST OF ABBREVIATIONS	11
LIST OF FIGURES	12
1. INTRODUCTION.....	13
1.1 Theoretical background and the review of world literature.....	14
1.2 Methodology	17
2. REGIONAL INTEGRATION: THEORETICAL AND METHODOLOGICAL FUNDAMENTALS.....	18
2.1 Regionalism: new social-economic reality and new regional politics	18
2.2 Region «Central Asia»: borders and basis of possible integration.....	23
2.3 Shanghai cooperation organization as integrative institution: synthesis of theory and practice	33
3. SHANGHAI COOPERATION ORGANIZATION: COORDINATION OF ECONOMIC INTERESTS	36
3.1 Economic problems of strategic development SCO at regional and global levels	36
3.2 Ways for overcoming of development problems and perspective directions of economic cooperation within SCO	47
3.3 Peculiarities of member-countries of SCO	61
3.3.1 Interests of RF and China in SCO.....	61
3.3.2 Kazakhstan and SCO: main results and problems of interaction	66
3.3.3 Constructive role of Uzbekistan in SCO	70
3.3.4 Problems and perspectives of Kyrgyzstan membership in SCO: military-political aspect	72
3.3.5 Positive sides of Tajikistan membership in SCO	78
3.3.6 India and Pakistan in SCO – entering process.....	82
CONCLUSION	84
LITERATURE	87
APPENDIX 1	92

LIST OF ABBREVIATIONS

ASEAN	The Association of Southeast Asian Nations
CA	Central Asia
CAR	Central Asian Region
CIS	The Commonwealth of Independent States
CSTO	The Collective Security Treaty Organization
EEU	Eurasian Economic Union
EU	European Union
EurAsEc	Eurasian Economic Community
OIC	Organization of Islamic Cooperation
NATO	North Atlantic Treaty Organization
OSCE	Organization for Security and Co-operation in Europe
RATS	Regional Anti-Terrorist Structure,
RF	Russian Federation
SCO	Shanghai Cooperation Organization
USA	United States of America
USSR	Union of Soviet Socialist Republics

LIST OF FIGURES

Table 1: list of regional organizations and their orientation	30
Table 2: turnover of Russian with Central Asian countries – members SCO	40
Table 3: distribution of the Russian turnover under countries in 2015	40
Diagram 3: turnover of china with countries of SCO	42
Picture 1: Embodiment of infrastructure facilities of member-states of SCO in the uniform transport system.	54
Picture 2: Scheme of the project "High-speed Information Highway (HSIH) of SCO" Source: The Shanghai Cooperation Organization	58

1. INTRODUCTION

The second half of the XX century has been marked by the overall movement of many states to economic integration. Strong groups have developed in Western Europe, North and South America, in Asia. This tendency has been caused by aspiration of the states for economically more adequate resistance to hegemony of the most powerful countries (first of all the USA), together take more significant place in the world economic system, and also globalization processes which have begun to gain strength in the second half of the last century.

It is obvious that in the XXI century new tendencies, directions, forms of modern world economy and policy development and, at the same time new problems and contradictions will declare themselves. In the conditions of globalization of world economy there are high-quality updates of all system of the international organizations. Continuously increasing value of the international integration, the amplifying interdependence of the states demand the serious analysis and studying. For this reason more and more attention from researchers is paid to process of globalization and the related transformations in various areas of world development. Owing to the fact that globalization exerts serious impact on policy (national, world), changes political structure of the world, increasing attention is given to cooperation between the countries in various spheres of economic and political life, in the field of safety, environment protection.

In our work we are going to answer the following questions:

- 1) How do globalization and regional integration impact the world policy?
- 2) What are the main interests and need for this organization has the countries-initiators of its creation: Russia and China?
- 3) What benefits from such association have the member-countries, belonging to CA region?

The Shanghai Cooperation Organization (SCO) is an example of the regional organization of developing countries. Participation of Russia in SCO directly defines extent of its integration into global economy and eventually influences sustainable economic development in the long-term perspective. Members of the new international organization have gradually passed from the solution of boundary problems to joint consideration of a wide range of problems of safety, economic and cultural cooperation. Now SCO is a tool for economic division of spheres of influence in the Central Asian region, and also carries out the main function as the effective

instrument of regional economic integration and cooperation.

Trying to answer the questions, mentioned above, we are going to explain the following hypothesis:

1) Despite the existing problems and disagreements in the organization, its development and successful functioning are of great importance both for participants, and for all international community in general.

2) The potential of SCO is defined, first of all, by participation in it of such countries as Russia and China. Both of these states are interested in stable political and economic development of the Eurasian region, and ensuring its safety.

3) Economic cooperation and activity of SCO countries will be more successful under condition of development of transport communications in the region.

Objectives of this work aims to analyze the phenomena of regionalism in the meaning of integration from the point of view of ensuring safety and economic development.

Our research is divided into 2 parts: the first part describes the theoretical issues of the regionalism, contains the review of literature, explains some peculiarities of the CA countries. The second part has a practical character and contains the reveals the existing problems in SCO and possible ways of their solving, analyses the results of membership in SCO for each country.

In spite of the fact that in scientific literature trade and economic relations of Russia and the countries of the Central Asian region, Russia and China, as well as questions of political cooperation of the countries of SCO are rather widely investigated, the complex generalized research devoted to economic interaction of the countries of SCO has not been carried out so far that defines the relevance of this research.

1.1 Theoretical background and the review of world literature

In the last fifty years a significant amount of works has been devoted to the theory and separate practical aspects of integration, including designing of ideal models in isolation from a regional context, to consideration of the experience of the European Union and prospects of its future development, theoretical development of progress of economic integration of the countries of ASEAN.

The concept "integration" has appeared in the social and political glossary rather recently, not earlier than the 40th of the XXth century. And narrower term "political integration" entered a scientific turn since the end of the 40th - beginning of the 50th. Within the liberal concept of the international relations "integration" is quite often used as a synonym of such concepts as "internationalization", "globalization", and also exists along with the concept "cooperation". However recently in special literature concepts "cooperation" and "integration" very are separated from each other: if interstate cooperation doesn't go further the framework limited to sovereignty, then integration, on the contrary, means transfer of sovereignty part to "common stock of the integrated states" (Kubicek P., 1997). Gonidec P.-F., Charvin R. note that integration is at the same time a process and a condition. At the level of individual consciousness it is urged to generate loyalty and commitment to new association, and at the structural level - participation of everyone in its support and development (Gonidec P., Charvin R., 1984).

This position is characteristic in general of representatives of a neofunctionalism (Ernst Haas, L., F. Schmitter, L. and others) (Haas E., 1958, Haas E., Schmitter P., 2004). Adherents of functional approach speak about "integration of functions" for more effective implementation of objectives. According to K. Deutsch opinion it is a set of relationship concerning system product (Deutsch K., 2008). For federalists creation of the supranational subject - federation has to become an ultimate goal of such relationship.

Among Russian authors, investigating theoretical problems of integration it is necessary to mention first of all Yu. V. Shishkov, P. A. Tsygankov, V. G. Shemyatenkov, G. M. Kostyunina.

Interdisciplinary character of the studied problem has demanded studying the works of the Russian, Chinese, other authors on the wide subject connected with processes in the Central Asian region. From the Russian-language works anyway affecting this region it should be noted K. F. Zatulin, A. V. Grozin, V. N., Hlyupina, S. G. Luzyanina, A. V. of Lukina, A. A. Ulunyana, A. G. of Larina, S.I.Luneva. In foreign literature deserve attention of work of M. Burlesa, B. Gill, A. Hayman, and also researches of the Chinese authors, first of all Xing Guangcheng, and Pan Guang.

The works of such authors as A. V. Malashenko, A. A. Kazantsev, and also Central Asian authors - M. Laumulina, F. Tolipov, E. Orazaliyev, A. A. Knyazev, M. N. Suyunbayev, B. K. Kazbekov, K. L. Syroyezhkin are devoted to the complex comparative analysis of integration

associations in Central Asia.

In scientific works different opinions concerning preliminary conditions of integration, the priority directions, leaders and guarding subjects of this process, speed of changes could be observed (Detailed analyses of various world schools, researching SCO is presented in Appendix 1). Work of the Shanghai researcher, professor Wang Jian, in which the dilemma of ways of development of the Shanghai Cooperation Organization from a position of the theory of Public Goods Approach is analyzed, is of a certain interest (Wang J., 2012). It is possible to refer works of the director of the SCO Center of Fudan University (Shanghai, the People's Republic of China) Zhao Huasheng to functional approach. In work "The first regional organization of cooperation" of a new type" in the XXIst century. An integrated approach to the analysis of the Shanghai Cooperation Organization" of the SCO Center at the Shanghai academy of social sciences the authors discloses the importance of "civilization, world outlook investments into the Central Asian region" and pay much attention to humanitarian bases of integration. In Central Asia on problems of military-political and military-technical cooperation works the following researchers: A. Bolyatko, A. F. Klimenko, L. E. of Vasilyev, I. B. Kamennov.

Especially it is necessary to note the use of so-called SWOT analysis, a method of the analysis of strong and weak features, opportunities and threats in the work of V. A. Matveev "Status and prospects of economic development of the countries of Central Asia - members of SCO" (Matveyev V., 2013).

To problems of political dialogue of the Central Asian republics and the European Union, prospects of integration in this region are devoted the works of the following western researchers: M. B. of Olcott, J. Bailes A. Dunay P., Oresman M., Blank S., Allison R., Swanstrom N.

Proceeding from the analysis of the existing literature, it is possible to draw a conclusion that, despite existence of a set of the works devoted to transformation of the Central Asian republics and cooperation of world countries in this region, there are not enough complex researches about a role and value of the Shanghai Cooperation Organization in regional policy.

It is also necessary to note that Russian political science, studying questions of integration is relatively young in comparison with the European. The majority of researches in this direction consist in the analysis of the European concepts, experiment of the EU on association in uniform community and proposals on their possible application during integration

process between the countries of the former USSR, in particular in the Central Asian region.

Humanitarian bases of integration into the CAR, problems of formation of Central Asian identity, foreign policy image of SCO, safety problems in this region can be the further perspective directions of the research.

1.2 Methodology

Methodological base of the research is the complex of general-logical and general-scientific methods of deduction and induction, the analysis and synthesis; research methods of the modern humanitarian disciplines: ratios of historical and logical, structurally functional, comparative, civilization approaches, which use are heuristically justified by the goals and objects of this Master Thesis.

Some directions in the theory of integration have been applied to research of the processes happening on the modern former Soviet Union in the Central Asian region: federalism, functionalism and neo-functionalism, theory of communication, political networks and multilevel management. When studying a problem of a ratio of various directions in activity of the Shanghai Cooperation Organization, in particular for the analysis of a complex of measures for strengthening of cooperation in safety, we used system approach within which integration association is a complicated, open, poorly-organized adaptive system, consisting of variety of the interconnected elements (subsystems). Safety complex is one of such subsystems.

Methods of monitoring and the content analysis of mass media have been used when studying interests of member countries of SCO and actors out of the region, concerning participation in association and an assessment of prospects of its development.

Research of this subject was based on the basis of the principle of scientific objectivity in combination with an integrated approach to studying of features of the integration at the Eurasian space based on a combination of system, historical and comparative methods. Also in this work have been used the system analysis of the facts taking into account their interrelations and development, an inductive method of generalization.

Relying on the general-theoretical and all-methodological potential of political science, work of theorists of world politics and the international relations, the author of this Master Thesis has applied an integrated approach to research of integration processes in the Shanghai

Cooperation Organization. Application of a method of the retrospective analysis has allowed to reveal the main stages of formation and development of the organizations. The method of the structurally functional analysis has been used at research of the organizations as subject of global political process, most important link of development of integration processes on the Eurasian space.

2. REGIONAL INTEGRATION: THEORETICAL AND METHODOLOGICAL FUNDAMENTALS

2.1 Regionalism: new social-economic reality and new regional politics

Globalization in general, as a result of computer information and communication technologies has developed contradictory processes of formation of convergent and divergent world social and economic space. At the same we can observe the processes of integration and regionalization of the world society.

Content of the concept "region" includes differing scale of the implied territory. The country or groups / alliances of the countries can be considered as the region (for example, America, Southeast Asia, the European Union) - in this case we can speak about "global" regions. As "national" regions are usually considered interstate territories. In the course of globalization both global and national regions find the new status which is defined more likely as the provision of significant elements of the single (global or national) social and economic mechanism.

Western researchers confirm value of the region in modern economy as the engine of economic development and a factor of building by economy of innovative and advanced information and technological potential. We can also mention the increased scientific interest in development of regional strategy of social and economic development in methodology of "a new regionalism" (Thomas K., 2007, Gonidec P., 1984). The concepts, reflecting a phenomenon of global and national regionalization - "a system regionalistics", "a new regionalism", "an economic regionalism", "economic federalism" are already enshrined in the scientific dictionary (Lexin V., 2009, Pervin A., 1999).

As a result of analytical consideration of a phenomenon of regionalization there appeared a new and priority direction of the state social and economic policy - policy of territorial

(regional) development. In its framework the region of the country is considered not just as part of the national territory, but as the complete (system) social and economic "unit" doing national economy already not only and even not so much by traditional business economics and branches, but the economy of regions.

It can seem to be paradoxical, that the economic regionalism as a policy of non-centralized - "horizontal", acting from parts (regions) to the whole - forming of national economy was actualized by globalization with its powerful unifying tendency. However there is no contradiction as globalization represents not centralized unifying process. All parts of the formed global social and economic space, keeping the sovereignty, are among themselves in the "horizontal" relations of voluntary equal partnership. To it they are forced not with each other, but globalization owing to implementation of her uniform requirements.

However there is no contradiction as globalization represents not centralized unifying process. All parts of the formed global social and economic space, keeping the sovereignty, are among themselves in the "horizontal" relations of voluntary equal partnership. To it they are forced not by each other, but globalization owing to implementation of its uniform requirements.

Global economy represents not centralized economy, but global set of economies of regions (national economies and their regional alliances like the EU). In the same way the national economy in the conditions of globalization is forced to carry out within itself a course towards regionalization, becoming economy of regions. Economic regionalization whether made in global scale or within the country, is followed by decentralization of management, movement of administrative responsibility "on places".

The central government sets whole-national strategic objectives and coordinates work of territorial administration on their achievement. The administrative and economic regionalism became the adequate reply of the state to "disconnecting" calls of globalization like growth of a social and economic inequality and separatism of territories, strengthening of cultural tension (Larina N., 1998, Cloud B., 1989).

For Russia giving to formal federalism (regionalism) actual content that will allow really to develop and level economy of the Russian regions, is more than actual task. A country rating on the vast majority of important integrated socio-economic indexes (expected competitiveness, quality of life, economic freedom) – is now unworthy low. Russian researchers note that "if further to ignore the necessity of consolidation of economic bases of federalism, then it is

possible to be ready to deepening of a tendency of substitution of national economic interest interests of separate national and regional groups and clans" (Counsel of Federation of federal Assembly of RF, 2008). The implemented forecast took place at the end of the XXth century, but, unfortunately, keeps the relevance as even now in the Russian Federation there are no real federalism and, as a result, policy of an economic regionalism.

Unlike Russia, economically leading countries today show the policy of territorial (regional) development based on methodology of an economic regionalism. It provides creation of structural conditions for emergence and steady action of three interconnected factors of growth and competitiveness of national economy: the region as the effective economic subject - new "center of gravity" of national economy (along with the enterprise and branch); the developed innovative infrastructure of national economy; the developed information infrastructure of national economy (on the basis of computer information and communication technologies).

The global economy is represented today by new corporate forms - multinational corporations of Holding type, and also "new regions" in the form of, for example, territories which have received scientific definitions of "the world cities", "super-city", "the information cities", "the global cities" (Friedmann J., 2002, Siren R., 1996). These are the global regions of new type arising also in the countries, creating a phenomenon of national economy of regions. "Regions of a new type" deserve such a title, because they are the "growth points" of social and economic system in new conditions. However today not all regions even of the countries, being economic leaders, became suddenly "new".

According to an expert conclusion, regional growth in modern conditions is provided by a core, consisting from the factors of innovations, infrastructure and human capital. At the same time, if factors of innovations and the human capital independently positively influence regional growth, but the factor of infrastructure exerts similar impact only in total with factors of innovations and the human capital assets (Garcilazo E., 2010). It means that the infrastructure of the region of new type, which Basic (integrating) Element is computer technologies of communication and management has to be ensuring innovative social and economic development. In its turn, the mechanism of innovative social and economic development includes steady reproduction of the human capital assets as an obligatory element.

Thus, if the infrastructure, even functioning on the basis of computer technologies of

communication and management, doesn't work for innovative development, then the birth of regions of a new type won't take place.

In other words, no national innovative social and economic development is possible without formation of the corresponding infrastructure, providing steady reproduction of the human capital through democratic (easily available for everybody) and qualitative education systems, health care, and also formation of labor market on which highly skilled job is appreciated much more, than unskilled and low-skill job. From this goes an extreme importance of the infrastructure connected with computer technologies of communication and mechanisms of innovative development. Formation of such infrastructure is also a construction of economy of regions - transition to management of territorial development under methodology of an economic regionalism.

Creation of infrastructure of regions of a new type is a direct task of the state, solved during public administration by means of the legislation and management of state ownership. Management itself represents a key infrastructure element, if to consider the infrastructure from the point of view of its main function - ensuring operation of the public mechanism. That is why the management of state ownership in principle solves an infrastructure task. Just in modern conditions this task is concretized as a problem of formation of infrastructure of innovative social and economic development.

Modern economic researches demonstrate dependence of GDP growth on development of infrastructure. Creation of infrastructure of innovative development goes hand in hand with an agglomeration tendency (condensation of the population) in such arising world regions of a new type as the global cities which have concentrated within themselves something, what is called "network economy", with its main subjects today - multinational corporations.

"Network economy" is a quite exact definition of global economy as economies of regions global cities act as regions. In megalopolises as the centers of knowledge, world activities for researches and developments of within generators of innovative development; human capital assets are concentrated; as well as the capital of the equipment, buildings, infrastructure facilities, including transport and telecommunication infrastructure. The global cities form the global urbanistic network which is existing de facto, but not de jure, not having institutional character and formed by the sphere of hi-tech services - financial, administrative, advisory, tourist, cultural. All these services are hi-tech.

Character and dynamics of universal processes of the middle 80th have led to revival of scientific researches in the field of integration. Modern theories are a part of more or less uniform theoretical field. In this plan evolution of views of one of the most famous supporters of federalism — John Pinder is indicative. In the early nineties he has proposed the idea for development of the concept of "neo-federalism", which would unite the theoretical analysis of the European integration and preparation of political recommendations (Pinder J., 1991). Ideas of J. Pinder has much in common with original work of Sbragia A., which has tried to exempt federalism from its standard binding. In its interpretation the federalism is a philosophy, scientific orientation, but not a set of hackneyed political formulas. Therefore the author considers timely to refuse the idea of obligatory evolution of the European Union towards one of real-life or hypothetical forms of the federal device, for example the United States of America. The European Union is an experiment in the field of institutional creativity, and its outcome is unpredictable (Sbragia A., 2012).

The tendency of synthesis of the confronting concepts of integration, placing emphasis, respectively on social and economic or state political factors, has found the embodiment in the theory of Multi-Level Governance. Starting points of the approach peculiar to the theory of Multi-Level Governance, are the existence of the crossed competences of a set of levels of the governments and the interaction of political actors penetrating all these levels.

Officials of member states, at all their power, are only one of the groups, operating in the European political system. The states aren't an exclusive link between domestic policy and the intergovernmental bargaining in the European Union. Instead of basis of two-level game, which is a standard among those, which places emphasis for a role of the state theorists of multilevel management proceed from a crossing of multilevel political networks.

The structure of political control is a variable parameter, but not a constant, depends from the field of policy, which is under consideration. Therefore in modern European researches a specific place is given to the concepts of political networks. John Piterson defines the key term of the concept in the following way: "The internal meaning of the term "network" presupposes, that the mass of the actors, representing a great number of organizations interact with each other and shares information and resources" (Peterson J., 1995).

Competition of the states in the conditions of anarchy of the international relations represents a game with a zero sum, in which stronger ones would surely win, and weaker players

would lose. The political network, on the contrary, represents a frame for cooperation from which all participants benefit, regardless of a ratio of their power potentials (the fact that in modern international business it is accepted to be called as "a win-win situation").

The concept of political networks in general changes a perspective of consideration of the state as agent of policy:

1) contrary to idea of the dominating role of the state in development of policy, at network approach though the state and its institutes are rather important, but only one of the actors of political decisions production;

2) contrary to idea of relative independence of the state in policy, in the concept of political networks, government institutions are considered as "linked" to other agents of policy and are forced to enter an exchange of the resources with them;

3) as opposed to idea of public administration as hierarchically organized system, network approach propose a new type of management - — " governance ", which general characteristic has found expression in a formula "governing without government" (Rhodes R., 2007) or "governance without government" (Rosenau J, Czempiel E., 2012).

And what is especially important for consideration of the chosen subject, that is the understanding of the fact, that though the concept "institute" plays a significant role in the theory of political networks, however not institutes, but communications and the relations make key point for consideration (Smorgunov L., 2015).

Proceeding from the aforesaid, it is possible to present regional integration as the process of the increasing interdependence and complementarity which is unevenly developed in time and in space. Its success depends as on tangible economic efficiency from participation in the project, and from political will of elite of the participating subjects and existence of the accurate course focused on long prospect. High-quality advance of process "deep into" is a formation within a certain territory of "feeling of the community", which is shown in the form of a self-identification of the population of the participating states with integration education and linking with it of the expectations on the future.

2.2 Region «Central Asia»: borders and basis of possible integration

The geographical area of the object of our research is defined as the Central Eurasia (in

its broad interpretation, including the territory of Russia and China, initiators of the integration project), and the Central Asian region (in narrow meaning).

In general it is possible to say that the Central Asian region (CAR) belongs to the category of relatively young geographical objects, which are allocated proceeding from a political environment and strategic plans, and are advanced as "natural geographical phenomena" (Krupnov Y., 2006).

In this regard Central Asia historically was associated with ethnically various conglomerates of the nomadic people inhabiting its open spaces and the Great Silk Way. Central Asia acted as the place where people, goods and ideas since the different ends of the Eurasian continent — Europe, the Middle East, the Southern and East Asia met.

Borders of the states on this space remained mobile, as well as the population that follows in special sensitivity of a territorial question at a new historical boundary for the new independent states (NIS). Recently the region even more often appears in the negative image context connected with new threats to security, such as terrorism, separatism, extremism, a drug traffic.

In addition, formation of the region is influenced by the specific nature of evolution connected with features of the prevailing culture, for example, extent of influence of Islam, which is in high level in Uzbekistan and Tajikistan, smaller in Turkmenistan, the lowest level is in Kazakhstan and Kyrgyzstan. An important indicator is also a various extent of russification and Soviet modernization of the countries of the region, the greatest level is in Kazakhstan and Kyrgyzstan, the smallest one - in Turkmenistan and Tajikistan.

Thus, the current face of the region is extremely contradictory, not up to the end created and bearing in itself a certain conflict potential (owing to the fight of various external forces for its definition).

In addition, formation of the region is influenced by the specific nature of evolution connected with features of the prevailing culture, for example, extent of influence of Islam, very high in Uzbekistan and Tajikistan, and smaller in Turkmenistan, the lowest - in Kazakhstan and Kyrgyzstan. An important indicator is also various extent of russification and Soviet modernization of the countries of the region, the greatest in Kazakhstan and Kyrgyzstan, the smallest in Turkmenistan and Tajikistan.

Considering the short period of independence of the states of Central Asia, their foreign

policy orientations are characterized as "multi-vector nature", i.e. readiness for temporary alliances in certain spheres of cooperation, balancing and maneuvering between various geopolitical centers of force, which assumes obtaining the maximum financial, image and political dividends. It visually illustrates the presence fact in the territory of Kyrgyzstan of military facilities, both Russian, and the USA's in close proximity.

After collapse of the Soviet system, the new independent states of Central Asia, owing to a community of historical destiny, a way of life, a special spatial geographical position (intermediate between Russia, India and China, which represent "the rod states" of independent civilizations (according to in S. Huntington's terminology) (Hannington S., 2013) have faced the problems and threats, general for the region. For that period, the young republics have been still connected by inertia of "former Soviet Union", whereas geopolitical, geoeconomic and geocultural features of Central Asia demanded reconfiguration of regional dominants and search of the place in the world. In fact, the choice was reduced to the following options: - first, orientation **to Moscow**, leaving for themselves positions of "strategic underbelly" on the periphery of the Russian Empire; secondly, **enhancing of cooperation with the United States of America and the European partners**; thirdly - **orientation to China**; fourthly - **to the southern Muslim world (Turkey, Iran)**; or, as alternative - **regional integration on the basis of active coordination of interests of all participants of integration process**.

Russia as the right successor of the USSR, was an initiator of a number of integration projects in the former Soviet Union. Their number includes creation of the organization of a wide profile - the Commonwealths of Independent States, urged to soften a tendency to further delimitation. There took place some attempts of preservation and hardening of the economic communications, functioning earlier as a uniform organism on the basis of the general transport (including pipeline) networks, uniform system of staff training, territorial specialization of production objects in the form of the Eurasian economic community (EurAsEC), as well as preservation of the republics of Central Asia under "the Russian shield", by means of the obligations and guarantees presented to members of the Collective Security Treaty Organization (CSTO). And though four of five Central Asian republics (except Turkmenistan) are the members of all above-mentioned projects, a question of efficiency of these structures in protection of national interests of Russia on this space, consolidation of capacity of the Central Asian region (CAR) still remains opened.

The United States of America after terroristic acts, happened on September 11, got into direct interaction with each government of this region, providing the address help in response to concrete supporting steps. The states of Central Asia joined the work of the international anti-terrorist coalition, providing to the USA and their allies on NATO the air space, transport corridors, military bases. Activity and capital investments of the USA have designated resistant interest in long-term presence in the CAR.

"The attention of the USA to Central Asia is explained by the fact that a geographical position of this region - the most weak point for Russia" (Vallerstain I., 2010). It has caused integration of the states of Central Asia into many institutional forms initiated by the USA and Europe – it is a program of NATO "Partnership for Peace", the Organization for cooperation and safety in Europe (OSCE), the European Bank for Reconstruction and Development, the Program of technical assistance of TACIS and others.

Successful interaction in a format of industry programs contributed promotion of ambitious ideas on revision of stratification of the region and its operated democratization under the auspices of the USA. "The Big Central Asia" project (BCA) has appeared in expert circles from the USA and is directed to strategic and geopolitical association of Central Asia and Afghanistan as communities of components for one geopolitical and civilization unite (Starr F., 2014). At the diplomatic level Americans have begun to discuss this project with heads of the Central Asian states after their positions in the region have considerably reeled because of deterioration in relations with Uzbekistan.

Cooling in relations between Washington and Tashkent has happened after the Andijan events of 2005 therefore Americans have been forced to withdraw from Uzbekistan their military base (Panfilova V., 2012). In fact, "Big Central Asia" represents attempt of "pulling" of Afghanistan from a condition of slow civil war, extremely expensive for Americans, by means of its involvement in various regional projects (Boiko, V., 2007), and also a convenient form of soft reorientation of Central Asia from Russia to the Southern Asian region. "Central Asia – is not a crises and instability, but new opportunities" – by this way Condoleezza Rice has formulated her position in the White House (US Department of States, 2006).

Orientation to China in the long term perspective can become extremely tempting alternative. The policy of China finds the increasing popularity if not among the Central Asian population, then in mentality of the Central Asian elite. Figures of the Chinese economic miracle

bewitch, and, the main thing, the country managed to reach the goal, that is considered to be the main aim in Astana, Tashkent, Ashgabat, Bishkek and Dushanbe, - connection of rigid political structure with the economic liberalization, which has immediately given the results (Lozanskiy E., 2011). The successful model of the Chinese modernization, which is distinguished by the leading role of the state in economy, the advancing growth of the industry, sharp reduction of poverty, special attention to development of science and education was given a name in the West as "The Beijing consensus". This expression belongs to the former editor of the "Time" magazine Joshua Cooper Ramo.

It symbolizes exclusive attractiveness of the Chinese experience, "which special groups of economists from such different countries as Thailand, Brazil and Vietnam are eager to study" (Salitskiy L., 2007). "The Chinese way" as the law of unity and conflict of opposites, relying on "the soft force" allows to solve a triple problem: to consolidate the political power in the country, to join world economic development in a controlled framework, to meet the needs of the population, thereby, defusing social tension.

At the same time, it is obviously important to note that the public opinion in Central Asia doesn't promote orientation to China yet, perceiving this country as remote, mysterious, unfamiliar.

Therefore if it is worth expecting activation of the relations on this direction, then it will occur within the bilateral contacts, informal communications and arrangements distinguishing Asian management style and quite correlated with tactical interests and specifics of mentality of modern Central Asian elite. Increase in the importance of China can happen also through strengthening of the Chinese component in a format of the Shanghai Cooperation Organization (SCO) as it is the only, available for China political tool, the rules of the game and to lobby interests in Central Asia allowing to create. Existence of SCO at the same time can soften fears of the Central Asian states concerning domination in the region of any one power, order activity, both Russia, and China in the region, to consolidate their efforts for maintenance of high level of political stability in Central Asia for preservation of tranquility on the southern borders of Russia and the western border of China.

Increase in the importance of China can happen also through strengthening of the Chinese component in a format of the Shanghai Cooperation Organization (SCO) as it is the only, available for China political tool allowing to create the rules of the game and to lobby interests in

Central Asia. Existence of SCO at the same time can soften fears of the Central Asian states concerning domination in the region of any single state, to order activity of both Russia and China in the region, to consolidate their efforts for maintenance of high level of political stability in Central Asia for preservation of tranquility on the southern borders of Russia and the western border of China.

On the background of the continuing search of ideological imperatives for the Central Asian regional identity, which is under formation now, as it seems to us, one of probable scenarios is the prospect of gradual strengthening of the importance of a factor of Islamic heritage of the region which in the sphere of the international relations will lead to rapprochement with the Muslim world. From variety of potential allies and forms of interaction on this direction it is obviously possible to select "The Turkish project" and "The Iranian initiatives" (Knyazev A., 2011).

"Turkish project". With disappearance of the USSR the role of Turkey as the southern flank of NATO has significantly decreased, but with emergence of the new Turkic-speaking states of Central Asia and Transcaucasia the chance of revival of former greatness and increase of its importance in world affairs has appeared.

In the early nineties again revive traditional pan-Turkish ideas about creation of "Great Turan". In December, 1991 Ankara as the first state recognized the new Turkic-speaking states of Central Asia, and in January, 1992 the prime minister of Turkey Süleyman Demirel has declared change of the regional status of the country in view of the opportunities opening before it to define the political future of the Muslim republics of the CIS.

It was supposed to undertake the solution of a two-uniform task: to provide the necessary level of contacts of the West with these republics and to convince their heads that Ankara is capable to serve as the conductor of interests of the Muslim CIS countries in the West.

But in general the policy of Turkey on creation of uniform Turkic political and cultural and ideological space already in the second half of the 1990th began to reach a deadlock. Heads of the Turkic-speaking republics openly began to separate from attempts of Turkey to approach on this basis. Possibly, also in the Turkish leading part there was formed an understanding, that political and cultural proximity, commitment of the new independent Turkic-speaking republics to Islam and a Turkism have been exaggerated, and the reality is - the state nationalism of Central Asian ethnoses.

So far Turkey is an important partner for Central Asia, but its financial and technological capabilities are limited, and the foreign policy is in many respects dependent on great powers. At the same time reorientation of Ankara to Brussels, and also deterioration in its relations with Washington in 2002-2003, first of all against the Iraqi problems, promoted a shift of the Turkish regional policy that has led to decrease in its influence in the CAR.

Iranian initiatives. In the early nineties, right after collapse of the USSR, having found huge undeveloped market space, Iran promptly became more active in the new states of Central Asia, first of all — in Tajikistan, Uzbekistan and Turkmenistan. In general, in the 1990th the Iranian influence was limited to some expansion on the local markets of the Iranian goods. A certain exception for these conclusions initially is Tajikistan. The ethnocultural proximity of Tajiks and Iranians has caused higher level of the relations of Iran with Tajikistan at once, than with other states of the region. Since the end of 1992 there was outlined a recession in the Tajik-Iranian relations, turning sometimes into quite notable mutual alienation, which cornerstone was the political and ideological prejudice, which has arisen during civil war in the environment of considerable part of the Tajik society concerning Iran.

Initial claims of the Iranian political circles for domination in Tajikistan have quickly been disavowed also from Russian side. E. M. Primakov specifies, that already at the initial stage of the Russian-Iranian contacts on the Tajik subject, when hopelessness of strengthening of the Iranian positions in Tajikistan became clear, influence of Iran and even "physical presence" in Tajikistan have begun to decline. Concerning the general strategy, the conclusion has been drawn, that Iran seeks to leave isolation and "to take part in positive processes on the international scene"(Diplomatic news, 2013). Experience of that time in many respects have defined format Russian-Iranian interaction in Tajikistan, in the subsequent, having prevented probability of emergence of direct confrontation of interests of two countries.

All subsequent period the main tactical settings of the Iranian diplomacy in the countries of Central Asia have been directed to the gradual increase in the Iranian presence in all spheres, promoting overcoming of foreign policy and economic isolation of Iran. In the region many politicians and experts speak about need of profound cooperation for different formats (Koshanov L., 2011). It becomes obvious that "new threats", transnational by the nature, are impossible to solve by forces of one separately taken state. On the other hand, many integration initiatives, excluding external players such as, ideas of the President of Kazakhstan N.

Nazarbayev about need of creation of the Union of the Central Asian states, have tactical, image character. Such statements directed, first of all, towards Moscow as a desire to designate need of preferences for the relations with Astana.

We shouldn't absolutize also "ethno - and sociocultural homogeneity of the region", (Malashenko A., 2012) in which unresolved problems and contradictions lie in the very basis of young state-system (i.e. issues, connected with frontiers between some countries of CAR and their protection, with existence of ethnic enclaves, and about controversial issues in the sphere nature-and water use).

Active participation in formation of the regional and branch organizations, is highly characteristic for former Soviet and post-socialist space. However, in this, apparently, chaotic process it is possible to consider motives of the certain interacting subjects and mechanisms by means of which they influence at each other, promoting reorientation of loyalty towards the new center (See the table 1)

Table 1

Organization	Security	Economic	Other/note
<i>Orientation to Russia</i>			
Commonwealth of Independent States (CIS) (membership of 4 CAR countries, Turkmenistan - observer)	+	+	Multipurpose organization, role — in holding of Post-Soviet spaces from final disintegration, coordination of actions in framework of associations.
Eurasian Economic Community (EurAsEC) (members - CAR countries, except Turkmenistan)	-	+	Development of uniform external economic politicians, coordination tariffs and prices.
Collective Security Treaty Organization (CSTO) (members - CAR countries, except Turkmenistan)	+	-	Military-political union
Shanghai cooperative organization (SCO) (members - CAR countries, except Turkmenistan)	+	+	Counteraction to threats of safety, maintenance of stability, improvement of the region welfare, humanitarian links.
<i>Orientation to the West</i>			
European Bank of Reconstruction and Development (all 5 CAR	-	+	Formation of market economy at post-Soviet countries

countries)			
Organization on Security and Cooperation in Europe — (OSCE) (all 5 CAR countries)	+	-	Settlement of crisis situations
Euro-Atlantic Partnership Council (EAPC) (all 5 CAR countries)	+	-	Interaction in military and political sphere, organization, affiliated with NATO
«Partnership for peace» NATO	+	-	Distribution of democracy, military exercises together with NATO.
<i>Orientation to the East</i>			
Shanghai cooperative organization (SCO) (members – 4 CAR countries, except Turkmenistan)	+	+	Counteraction to threats of safety, maintenance of stability, improvement of the region welfare, humanitarian links.
Asian Development Bank (all 5 CAR countries)	-	+	Development of regional cooperation
<i>Orientation to Muslim world</i>			
Organization of the Islamic Conference (all 5 CAR countries)	+	+	Cooperation and development Muslim states, was adopted "The convention against international terrorism".
Islamic Development Bank (IDB) (all 5 CAR countries)	-	+	Intergovernmental credit institution for OIC member countries
Organization for Economic Co-operation (OEC) (all 5 CAR countries)	-	+	Trade development, transport, communications, tourism, expansion cultural links.

The table was compiled on the basis of the material: Kazantsev A. A. "Geopolitical multi-vector nature in modern Central Asia and interests of CSTO. Analytical materials of the Center for Euro-Atlantic safety MSIIR (U) MIA RF, March 2014. P. 3-5

The analysis of the table given above, allows to draw a conclusion that active participation in regional projects is carried out for the purpose of legitimization of a political regime of the new independent states (NIS), acquisition of external support of political elite and attraction of additional sources of investments into national economies.

The republics of Central Asia are in search of own identity. For preservation and development of spiritual culture, which unites the Muslim public of the region by means of participation in integration projects, the country of CAR make common cause with the world of Islam, up to significant membership in OIC.

The sphere of efforts concentration of the United States of America and their partners in

North Atlantic alliance testifies to their steady military-political interests in the region, which are realized in flexible institutional forms. However, the end in itself of their design plans is in continent depth. Thanks to skillful application of "strategy of the anaconda loop" developed at the end the XIX beginning of the XXth centuries by the American admiral Alfred Mekhen, from "heartland", i.e. from Russia, coastal territories of "an internal half moon" are gradually cut out, minimizing the influence of Russia not only in the Baltic and Black seas, but also progressively rejecting it from a zone of "the warm seas" - from exits to the Indian Ocean, through Central Asia and Transcaucasia. Russia appears to be included deeply inside Eurasia (Bayakhcheva S., 2007).

Russia in return actively initiates the integration movement in forms, traditional and habitual for it. Membership in these organizations is of importance and interest for the republics of Central Asia, because of the developed industrial and economic communications, economic contacts, a considerable share of the Russian-speaking population, to "feeling of the community" connected with the Soviet heritage. At the same time uncertainty of strategic objectives of Russia calls into question long duration and reliable character of the similar relations. Lack of a clear and clear policy for Central Asia, consecutive actions, the developed strategy, can lead to rejection of Central Asian elite from participation in the pro-Russian structures. It is represented extremely important to comprehend the happening processes and in due time to take adequate measures until danger of alienation has become the come true fact aggravating a complex of stubborn problems in the former Soviet Union.

Lack of a clear and accurate policy for Central Asia, consecutive actions, the developed strategy, can lead to rejection of Central Asian elite from participation in the pro-Russian structures. It is represented extremely important to comprehend the happening processes and in due time to take adequate measures until danger of alienation has become the complete true fact aggravating a complex of stubborn problems in the former Soviet Union territory.

The East Asian vector of foreign policy orientations of the countries of Central Asia is meanwhile rather weak in the organizational relation concerning three other vectors. Nevertheless, it has the serious prospects connected with inevitable strengthening of political and economic influence of China (Kazakntsev A., 2014). In this regard it is necessary to emphasize the special place of the Shanghai Cooperation Organization among the interstate organizations of the region. Its existence and participation of China in it is capable to give additional dynamism to

social and economic processes in Central Asia, and mutual control and balance of interests of China and Russia will allow to create a powerful support of stability of the region.

In this regard interests of Russia and China coincide. Further economic integration and growth of welfare of each of the countries can prevent the potential conflicts between big powers and regional leaders (competition of Kazakhstan and Uzbekistan). In addition it is possible to assume that in the period of lack of distinct strategy of Russia in relation to CAR, existence on this field of the powerful player, who is guided by strategy of "the soft force" and objectively being in a cyclic phase of rise (People's Republic of China) will rouse Russia to more constructive and consistent policy in this region.

Possibilities of sectoral integration in this region are limited because any question, speaking about the electricity, transport and communications, rests against existence or absence of political will and desire of ruling elite, and these desires are changeable and difficult to predict. The role of Russia in the former Soviet Union in the majority of sectors remains traditionally significant, however those organizations, which have been initiated by it (EurAsEC, CSTO, CIS), are deprived of necessary dynamism because of the existing internal contradictions, national ambitions, and also owing to ignoring of the fact of the growing China, framing the Central Asian region on all perimeter from the East.

Plurality of integration projects in the Central Asian region (CAR) shows, that in modern conditions completely independent policy of the new independent states isn't represented actually real, or absolutely effective.

At the present stage the Central Asian region opens great research opportunities for studying of features of integration. Nevertheless, not one of the presented forms of regional associations isn't optimum and final from the point of view of effective multiplication of the participants potential for safety of Central Asia and realization of national interests in the region.

In a situation of political pluralism and strategic uncertainty drift of the Central Asian states between various centers of gravity will remain.

2.3 Shanghai cooperation organization as integrative institution: synthesis of theory and practice

The Russian-Chinese tandem in East Eurasia in the form of the Shanghai Cooperation Organization (SCO), is an uncommon example of constructive interaction and realization in

practice of the latest models of interstate and intercivilization dialogue including in line with integrative tendencies (Wang J., 2014).

In this context it should be noted that none of participants initially sought to design the Organization as a prototype for future federative super-state, that is there were no aim as political integration, with transfer of the sovereignty to part to supranational association. Of course, the aspiration to "economy of scale" was one of the accompanying purposes, but member states did attempts to involve the mechanism of SCO for the decision not only economic, but also, first of all, internal political tasks, and also the foreign policy purposes. A number of the Russian political scientists estimate regional cooperation of Moscow and Beijing through SCO as "an important foreign policy reserve" of Russia on the central Asian direction, "capable to become a limiting factor concerning steps of the USA contradicting the Russian interests" (Chernyavskiy S., 2013).

In medium-term prospect creation of a federal state is also represented improbable. Historically the population of the region hasn't been integrated within the uniform country, except for broader establishments - such as the Russian Empire and the Soviet Union. The Chinese influence is perceived by public opinion of the republics of the CAR very alerted though these territories also once were a part of the Chinese empire and Tan's dynasties appear as parts of the Chinese state on historical maps, for example.

Therefore the theory of federalism which acts as the ancestor of many subsequent theories of integration doesn't allow to describe fully the processes characteristic of the present stage of development of the Central Asian region.

The functionalism and its later variations (current of a neo-functionalism) also have considerable explanatory potential. Not without reason many researchers of integration into the CAR in the works appeal to this approach (Tolipov F., 2015). After the western theorists, the Chinese experts repeatedly emphasize the need of adequate definition of functions of the Shanghai association. The leading Chinese expert concerning development of SCO, the director of the Center of studying of SCO of Fudan University (Shanghai) Zhao Huasheng, using functionalism methodology, insists on the weighed approach to functional loading still of very young Shanghai organization

He writes: "If field of activity of SCO will be too narrow, then it won't be able to carry out in full the mission and to realize potential, gradually losing trust of participants and the

attractive image. At the same time, transfer to maintaining SCO of too extensive and complex challenges, will face discrepancy of scale of a problem to those mechanisms and financial means which at this stage the organization has. Therefore timely correction of functional loading of association will allow the Shanghai organization to become the capable and influential actor on the international scene" (Chzhao K., 2010).

Justification of "effect of over splitting", primacy of small, quickly profitable economic projects, in comparison with "political turns", are extremely convenient arguments for the Chinese figures seeking to commercialize the Shanghai association. On the other hand, the economic determinism can lead to underestimation of set of factors of a cultural and civilization order which can just be a key to integration or disintegration in a Central Asian context.

Communication approach focuses the attention on such preliminary conditions of successful integration as trust, compatibility of the main values and puts them above formal contracts. These questions rise more and more sharply in process of formation of the Organization and maturing of conditions for integration deepening. And though it is still very far before emergence of "feeling of community" at all those people which are integrated under the auspices of SCO, it is anyway urged to exist on a joint of civilizations. Its participants don't consider already today at all that distinctions between cultures and civilizations "are irreconcilable".

In particular in connection with awareness of need to strengthen the humanitarian contacts simplifying communication, blowing suspiciousness and suspiciousness concerning the neighbors ideas of creation of SCO University express. At the first stage it could function as training center for government officials, representatives of the big companies, potential investors of the countries of the Shanghai organization for whom more profound knowledge about mechanisms of work of the organization, legal bases of interaction, working conditions and feature of modern situation in this or that region is necessary. Further it will be possible to tell about a full course of training in priority specialties, it as, for example "management of transnational projects", "international law", "bases of foreign economic activity in the CAR", etc.

Communication approach places emphasis on integration not only the states, but also the people. He mentions deep strings of soul of the people of Eurasia, emphasizes the importance of national mentality, features of a way of life, managing form.

Improvement of integration forms forces to address the theory of networks. In the course

of globalization and regionalization not only the state are participants of international relations, but also more and more non-governmental organizations (NGO) come to a proscenium of world politics. Already now in China it is offered to expand a circle of participants of integration and to create a peculiar "new triumvirate" of cooperation and consultations of representatives of the governments, multinational corporations and non-governmental organizations (Marketos T., 2009). This model in which, in the conditions of domination of direct horizontal connections, win all ("win-win situation") can be extremely attractive to the Central Asian republics which representatives quite often declare that they feel not so much as subjects of integration, how many her objects.

Process of interpretation of modern for us political reality is complicated by a high speed of a course of the processes happening in the international sphere.

Practice advances theoretical judgment. The existing conceptual approaches to integration studying constructed mainly on theoretical generalizations of the Western European experience remain relevant for judgment of a situation in the Central Asian region, but have limited heuristic potential.

The political portrait of the new independent states of Central Asia is at a stage of the formation. The policy of "multi-vector nature", demonstrated in the conflict of the interests and the competition, which are present at a political sky of the Central Asian region of powers doesn't allow to ensure in the effective way safety of the region, don't promote growth of his welfare and political stability.

In this situation the role of the Shanghai Cooperation Organization which is an example of constructive cooperation and realization in practice of new models of interstate and intercivilization cooperation is especially significant.

3. SHANGHAI COOPERATION ORGANIZATION: COORDINATION OF ECONOMIC INTERESTS

3.1 Economic problems of strategic development SCO at regional and global levels

Between SCO member states in views of the purposes of collective economic cooperation there are certain contradictions. The organization includes the countries, different-sized in the parameters. Still the fact of their asymmetrical partnership wasn't an obstacle in a way of

development of SCO, however, estimating the future of economic cooperation within the organization, one may say, that emergence here of such problems is very possibly for a number of reasons.

First of all, the versatile format of interaction requires much bigger expenses, efforts and coordination, than bilateral cooperation. So, from the practical point of view countries-members have the different banking legislation, investment climate and credit policy (Kim N., 2015) that is fraught with obvious discrepancies.

Among problems of developments of mutually beneficial economic cooperation between Russia, China and the countries of the Central Asian region it is important to allocate a problem of development of transport communications, problems of trade and economic cooperation of member states of SCO, economic and political problems of cooperation of Russia and the People's Republic of China within the organization, and also issue of insufficient public financing of multilateral projects within the organization.

Question of development of transport communications

The central Asian region is in geographical removal from external trade streams of Russia which are closed mainly to Europe and the Pacific Rim. The transport network and fuel and energy complex of the countries of Central Asia initially had no national framework and were created as regional or all-union, without exits outside.

The region is geographically isolated, has no access to seaports and is away from world financial and trade streams. Owing to the general past economic relations between the countries of the Central Asian region are often uncontested and still close-looped on each other and on Russia (Paramonov V., 2006).

Unlike China Russia practically doesn't need transport services of the Central Asian countries as its foreign trade is focused on Europe and Asian-Pacific Region (generally it is export of raw materials and energy carriers to the world market). Central Asia for Russia represents a certain transport deadlock through which transit of freights is extremely complicated. And foreign trade streams of the countries of the Central Asian region go west through the Russian system of roads and pipelines. It is favorable to the Russian Federation both with political, and with economic the points of view. China, on the contrary, is interested in diversification of the road and main infrastructure of the region and elimination of transport monopoly of Russia by a conclusion of transit branches to itself. For the countries of Central

Asia China is not only dynamic and available export-import market, but also the vital communication channel on which their production can arrive to the world markets bypassing the territory of the Russian Federation.

In this plan China is capable to help them to diversify their transport infrastructure and to eliminate absoluteness of Russia as transitor. In case of full participation of Kazakhstan not only in the project of the oil pipeline of Atasu – Alashankou, but also in the project of Baku pipeline – Tbilisi – Ceyhan, the probability of blocking of access of Russia to Uzbek and Turkmen hydrocarbons appears (Warikoo K., 2010).

It should be noted that now the states of Central Asia don't take coordinated actions for overcoming of the economical and geographical isolation. For obtaining short-term benefit the Central Asian countries often overstate the price of transportation of goods across the territory, disregarding interests of partners, and also the long-term prospects. At the same time the countries of Central Asia strive for transport independence from each other. Kazakhstan, Turkmenistan, Uzbekistan and Tajikistan construct additional internal highways and the railroads that considerably reduces volumes of cross-border transportations (Lillis J., 2014).

Thus, within a triangle of the Russian Federation – Central Asia – China is observed obvious discrepancy of interests. At the same time it should be noted that with east and southern direction of the Russian, Chinese and Central Asian good stream the situation is different. Development of transport communications in the direction of the Southern Asia is favorable to all countries of SCO though economically it is more interesting to the People's Republic of China and the countries of Central Asia, than Russia. The Russian Federation actively trades on the western direction, and it in principle can ship goods to the Pacific Rim through the east ports. As the famous experts V. Paramonov and A. Stokov note (Paramonov V., 2005), expediency of formation of new overland ways to the south is that thanks to them time of cargo delivery from Central Asia and China to Pakistan and India can sharply be reduced.

Besides, transport cooperation of the Central and Southern Asia is capable to increase investment appeal of the Central Asian states and to facilitate a problem of low competitiveness of their economies. In general laying of new communications in the southern direction makes big economic and political and strategic sense as it will allow to connect in the general network transport systems of all member countries of SCO, and also the states observers from the Southern Asia. (Obstacles here are: a military situation in Afghanistan and difficult character of

Afghanistan-Pakistan relations.)

Problems of trade and economic cooperation of SCO Central Asian member-countries of SCO and in a certain measure Russia have already found the status of permanent suppliers of raw materials to China and buyers of the Chinese finished goods. Especially in case of small Central Asian economies preservation of such situation can lead to gradual exhaustion of industrial capacity of the Central Asian region because of stagnation of its processing industries. At the same time the Chinese investments into the countries of Central Asia (also to Russia) aim at expansion of production and export to China of raw material resources, and also stimulation of import by these countries of the Chinese production. Such situation is capable to deprive of incentive to development processing industries of the relevant states too that constitutes special danger in the long term.

As the countries of Central Asia and Russia are dependent on external factors – the world prices for oil and gas, they are vulnerable also concerning conditions of foreign trade. Both the Russian Federation, and the state of the region are interested in overcoming of raw orientation and diversification of the national economic. At the level of regional cooperation (and subsequently and integration) achievement of this purpose could be helped by creation of joint ventures with the processing industries. It is expedient to place considerable part of technological operations of such enterprises in the territory of Central Asia as they have energy carriers, and cheaper labor, and costs of capital construction in a subtropical climatic zone are less essential.

In view of lower production expenses in the conditions of Central Asia in comparison with Russia similar placement of production can give notable economic effect.

However, as it was already specified, other "rod-forming" state of SCO – China – is interested in a raw orientation of economies and the corresponding export of the Central Asian countries (and partly Russia) and it is unlikely that it will invest in those branches, which aren't profitable first of all for it. Moreover, if close cooperation of Russia and the countries of Central Asia in the production sphere changes structure of their foreign trade in favor of finished goods (in general having revitalized their economies), then, probably, it won't correspond to interests of China. China needs raw materials, and new competitors in the world market of finished goods aren't necessary to it.

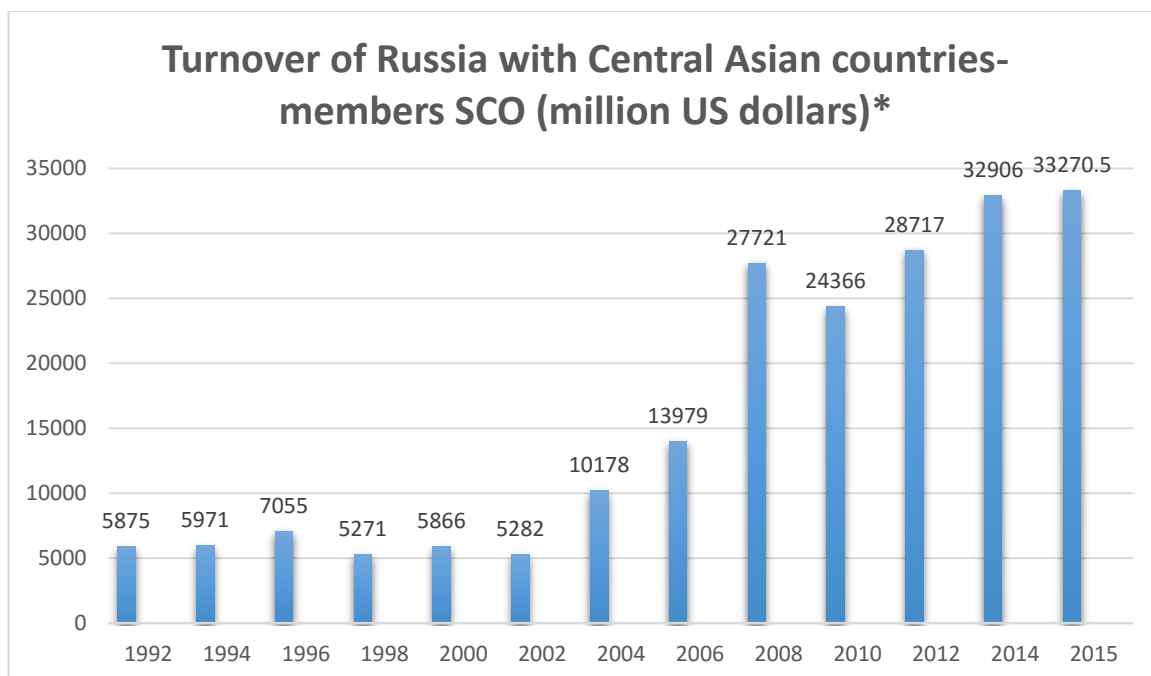


Diagram 1. *Data on Pakistan and India are included only under results of the year 2015
This table was compiled on the basis of the material, presented at the Site of Russian foreign trade: <http://www.rusimpex.ru/index1.htm?varurl=Content/Economics/>

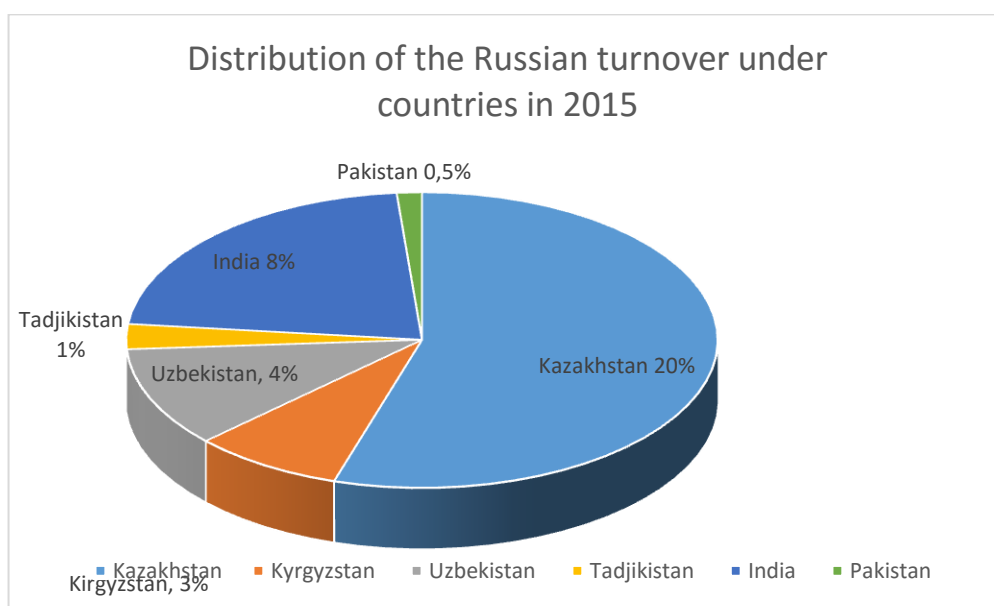


Diagram 2. This table was compiled on the basis of the material, presented at the Site of Russian foreign trade: <http://www.rusimpex.ru/index1.htm?varurl=Content/Economics/>

Besides China is more ready for creation of coproductions in its territory – in SUAR, and it also confirms discrepancy of interests of which we shouldn't lose sight at.

Now even those countries which have more competitive economies than the Central

Asian states and even Russia, accelerate process of formation of the regional markets. For example, China conducts a course towards creation of a common market with the states of Southeast Asia. The question of creation of single currency of the People's Republic of China and the countries of ASEAN becomes now very actual.

Russia and the countries of Central Asia are not against formation of a common market for itself within EEU or it is strict within the Central Asian region, but they don't accept yet the idea of the People's Republic of China about a free trade zone of SCO which is put forward in 2004 by the Chinese prime minister of Wen Jiabao. This proposal with vigilance has been met by most of the organization members as already now on a commodity market and services of Central Asia many Chinese firms take the leading positions, and their production is capable to force out goods of national producers. In SCO there is an understanding of prematurity of idea of a free trade zone and in view of a big difference of levels of economic development of countries-members (Luzyanin S., 2005). As a result states of SCO focus "the main efforts on gradual providing of conditions for the free movement of goods, capitals, services and technologies" (Abaturov V., 2005) that to some extent is a compromise option.

The concern of Central Asian members of SCO causes also increase in a share of the Chinese population in structure of a manpower of these countries. And it is one more discrepancy of interests.

The states of Central Asia are direct competitors for access to the Chinese market. It is caused as uniformity of the export nomenclature of the Central Asian countries (which, with rare exception, take out goods of the same names), and their aspiration to switch to itself investment streams and the economic help.

The suspense of a territorial and boundary problem between the countries of Central Asia, intensity of their relationship because of sharpness of a problem of water division and water use also is created by difficulties on the way of multilateral economic cooperation.

There are discrepancies in economic interests of the countries – partners in SCO, having trade and technical character. China believes that in trade policies of the countries of Central Asia concerning the People's Republic of China the principle of equality isn't observed. So, though China has also adopted a number of the laws directed to simplification of trade and economic cooperation with neighboring countries, however Kazakhstan and other states of Central Asia still don't hurry to develop the course favoring mutual economic links (Khaiyan V.,

2013).

Kazakhstan, for example, is interested in import of the communication equipment from the People's Republic of China on the terms of barter, and China, appealing to the international practice, insists on payment with cash. So, commodity turnover of the People's Republic of China with Central Asian member countries of SCO is presented on the Diagram 3.

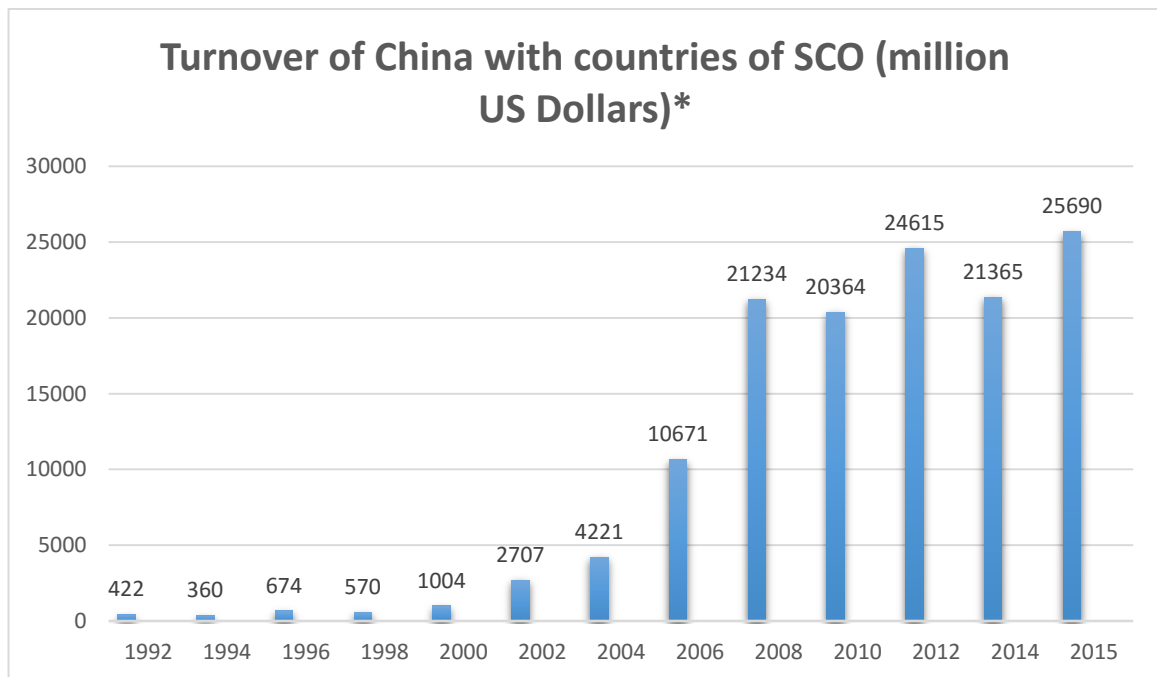


Diagram 3. *Data on Pakistan and India are included only under results of the year 2015

This Diagram has been compiled on the basis of the materials, presented at China Outlook 2015. KPMG Global China Practice. <https://home.kpmg.com/cn/en/home/industries/global-china-practice.html>, China Statistical Yearbook 2014. 2015: China Statistics Press

China doesn't welcome also some aspects of trade strategy of Central Asian member countries of SCO, for example the policy of import substitution limiting penetration on their commodity markets from China (World Investment News, 2002).

Accepted in year 2003 the Program of Multilateral Trade and Economic Cooperation declares intention to create a free trade zone within the organization. However, Russia didn't manage to make it with the closest partners in the CIS, and, besides, it is difficult to give forecasts what economic consequences of elimination of all barriers in trade with China for other members of SCO will be.

For there is no developed mechanism of participation of countries-members of SCO in other integration initiatives. It is known that Kazakhstan, Kyrgyzstan, Russia, Tajikistan and

Uzbekistan are also members of the CIS and EEC. Besides, Kazakhstan and Russia in common work for a long time on creation of the Common economic space. China, in turn, participates in ASEAN. At the same time all from the mentioned integration associations assume creation of free trade zones of various formats (Zhuangzhi S., 2004).

Problems can arise also because SCO duplicates many functions of the Collective Security Treaty Organization (CSTO) registered in Dushanbe into which four of eight members of association enter.

The divergence of political and economic interests of the Russian Federation and the People's Republic of China can become the most serious obstacle. It is known that China has set a goal to become in current century the world political and economic leader. And for this purpose it needs new sales markets of goods and additional sources of energy resources.

China is the leader of economic cooperation therefore its line has aggressive and initiative character. Directly the Ministry of commerce of the People's Republic of China, which competence includes issues of stimulation of the Chinese export, ensuring growth of commodity turnover, etc.

In the Ministry of commerce of the People's Republic of China the Shanghai Cooperation Organization quite often is considered as an opportunity to increase the volume of the Chinese export. The financial contribution to activity of SCO offered by the People's Republic of China of 900 million dollars has been intended for the connected credits for purchase of the Chinese goods, and its condition some countries-members including Russia, have counted unprofitable.

Deepening of real cooperation could be promoted by more balanced approach of the People's Republic of China, the best understanding that except direct economic benefit there are also long-term advantages, which are under construction not only on economic, but also on political, civilization and other interests. It was well realized in the USA and Europe where there are numerous programs of the state help to development, the state educational funds, etc.

Real integration within SCO is interfered by the fact that Russia and China pay not enough attention to economic strengthening of this organization. Now cooperation of Russia and the People's Republic of China with the countries of Central Asia is carried out mainly on a bilateral basis, and the oil and gas branch and the pipeline transport serving it remain the main spheres of interaction.

Conflict potential of use of water resources.

Water resources are one of strategic factors of wellbeing for all countries of the Central Asian region. Water is the same value as oil, gas and other natural minerals. At the same time during certain periods in some zones of the region – in particular in lower reaches of the main rivers – quantitative and qualitative deficiency of water already makes negative impact on a social and economic situation.

The main source of water in the Central Asian region – the streams of the Syr Darya and Amu Darya, which are formed in Mountains Pamir and Tian-Shan. The countries rich with energy resources – Turkmenistan, Uzbekistan, Kazakhstan – are in water dependence on Tajikistan and Kyrgyzstan which form the schedule of sending of water down.

And therefore the problems of operation of water resources connected with lack of regulation of the relations between the countries of the Central Asian region which annually loses 1,7 billion dollars, or 3% of GDP because of poor control water resources are very actual (Mukhamedzyanov A., 2006).

Water, which in Central Asia is one of the major strategic resources continues to remain free of charge. There are also problems of the interstate relations. At the same time problems have multidimensional character in the basis and bear the potential of growth of intensity both in the republics, and at the regional level.

The accelerated development of electricity industry in damage of water usage can become an additional factor of intensity in the region. Recently Tajikistan has declared serious energy ambitions. The Republic of Tajikistan has got rid of volatility from Uzbekistan and increases export of the electric power to other countries. Tajikistan in January-May of the current year has increased export of the electric power by 13% in comparison with the similar period of 2015. According to Statistic Agency in the country the income of the republic from electrical supplies abroad in comparison with the last year's period has grown by 12,7%. Tajikistan sells the electric power, generally to Afghanistan and Kyrgyzstan.

Today universal rules and the principles of interstate water division, uniform for all countries, don't exist. However in Soviet period compensation deliveries of energy carriers of Kyrgyzstan were observed strictly.

In the long term the water use problem in the Central Asian region will become aggravated because of a high increase in population. There is a danger that demographic growth, by estimates of experts, will inevitably increase need for water in the forthcoming twenty years

by 40%. The share also the industry with agricultural sector will demand. Such situation can serve as catalysts of the conflicts. In local scale the conflict situation was shown in 1998 in the Fergana Valley that has shown to leaders of the region as the suspense of problems of distribution of water resources can cause crisis not only in the interstate relations, but also in the states.

The aggravated situation with water in Central Asia has attracted attention of the largest member-countries of SCO – Russia and China. Proceeding from the fact that Central Asia is defined as geopolitical and a geo-economic "zone of responsibility" of two states, the menacing tendencies of the region can and have to find consideration in a format of the Shanghai Cooperation Organization.

According to experts, in modern political and social and economic conditions one of the most reasonable ways of creation of wellbeing in the region is a realization of the principles of ecosystem water resources management of Central Asia. However, creation of the steady and fair mode of water use in the region encounters a number of difficulties, and main of them have artificial character.

In this view the most indicative is the position of China, which has refused to join two fundamental international agreements – Conventions on the right of non-navigable types of use of the international water currents (1997) and the Convention on protection and use of cross-border water currents and the international lakes (1992) is and insists on regulation of a cross-border waterway by carrying out only bilateral negotiations.

At the same time the Chinese side seeks to reduce as much as possible the level of negotiations, suggesting to be limited to consultations between water management departments. For example, across the territory of Kazakhstan from the People's Republic of China 23 cross-border rivers and its water supply respectively flow depends on extent of use of this rivers by China.

Thus, China within SCO can't act as the guarantor of stability in the relations between the countries of Central Asia yet. As this problem has quite long story, at once it won't be possible to resolve it and consecutive steps are necessary finally to reach agreement.

The solution of problems of a hydro-electric complex of Central Asia with participation of Russia is facilitated by the fact that many countries of the region are the members of SCO and EEC. Besides, the specified international structures (or the separate divisions created in their

framework as Energy club of SCO) can be used for financing and investment into the prime works directed to decrease in losses of water resources or modernization of power infrastructure. The program for rescue of the Aral Sea has to become one of such projects.

The author notes need of development of the agreement on multilateral use of water resources of Central Asia which purpose has to be a creation of infrastructure of use of water resources for system of the irrigated agriculture in the region in which legitimate interests of all Central Asian states would be equally considered.

The perspective direction of economic cooperation is sharing of hydro-electric resources of Tajikistan in the territory of which 57% of water stocks of the Central Asian region are concentrated. Joint financing of SCO of construction of hydroelectric power stations by member states in the territory of Tajikistan will allow to gain considerable economic effect in the medium-term and long-term period.

Shortage of the budgeting on ensuring implementation of economic projects

For the international organization the budget of SCO is insignificant and makes only 4 million dollars. It provides only administrative expenses and is distributed between the Secretariat and Regional anti-terrorist structure. Financial investments in the budget of SCO are proportional to the size of economies of member states. Russia and China introduce 24% of the budget, Kazakhstan – 21%, Uzbekistan – 15%, Kyrgyzstan – 10% and Tajikistan – 6%.

Economic cooperation restrains because of a position of a number of the Russian departments, first of all the Ministries of Finance which don't support idea of public financing of economic programs of SCO. Emphasis is placed on search of non-state financing through structures of Business council and the Interbank Consortium of SCO. However it becomes clear that there won't be enough only one private means for start of large multilateral projects. Private structures either are insufficiently powerful, or aren't so interested in that completely to finance them.

Summing up the result, it is necessary to emphasize that in general it is difficult to predict a real picture of the economic relations within SCO. The forecast rests against two main planes: theoretical and practical (Nicole J. Jackson, 2003). And this is the main contradiction.

Each country – the participant of SCO pursues the interests and intends to take an economic benefit from the opportunities of cooperation which have opened within this international union. Efficiency of this process for each country depends on how it will build the

mechanism capable in a varying degree to influence development of national economy, including structure of governing bodies of economic cooperation and system of priority projects which it realizes within SCO.

At all probable discrepancies and discrepancies of interests of the countries – partners in SCO this community is unique chance for creation of new effective geopolitical and geo-economic model integration development.

As K. Tokayev, the Chairman of the Upper House of Parliament of Kazakhstan emphasizes, value and specifics of this organization are that it includes three components: for example in Europe European Union is responsible for economy, NATO is responsible for military safety, and OSCE is engaged in human rights and electoral processes, but in SCO there exist fight against terrorism, trade and economic cooperation, and a humanitarian component. SCO carries out its main function: at this stage it not only a factor of control of the American expansion in the region, but also the effective instrument of regional economic integration and cooperation. It is of great importance in providing the world and stability in this region now.

3.2 Ways for overcoming of development problems and perspective directions of economic cooperation within SCO

Despite existence of serious problems on the way of development of mutually beneficial economic cooperation between Russia, China and the countries of Central Asia, the Shanghai Cooperation Organization has considerable strategic potential. However essential activation and basic strengthening of coordination of activity of member countries within the organization is necessary for realization of this potential.

Energy industry is the most important component of economic cooperation within SCO, and also SCO and the Pacific Rim. SCO can now, making use of the experience on consolidation of forces in fight against terrorism, to extend it to development of the general platform and system of interaction within the oil and gas markets. SCO will allow the countries of Central Asia and Russia to set up cooperation with the states consumers, to intensify process of arrangement of new routes of supply of oil and gas in the direction of the People's Republic of China and Southern Asia (Energy Daily, 2012).

Interdependence in questions of gas transit at Russia and the countries of Central Asia, which has arisen after division of a uniform gas transmission network, as a rule, doesn't create

problems at transit negotiations. However, an important question are the prices of deliveries. During 2006-2009 purchase prices of gas for "Gazprom" have grown from Kazakhstan, Turkmenistan and Uzbekistan more than twice. Also these countries want to participate in profits on the high export prices in Europe, and now also in Asia (Luzyanin S., 2012).

Foreign policy positions of Russia in the gas sphere are rather strong, it has contracted all volume of export of the Turkmen gas and all gas transmission capacities through Central Asia. Even if Ukraine or Georgia will buy gas in Turkmenistan, Uzbekistan or Kazakhstan, they won't be able to deliver it without Russia.

Positions of Russia in the Central Asian region look strong as the Russian gas business actively works in exploration and production of gas in the region, and also plays an important role in the gas transmission system of export from Central Asia in Europe (Fedynsky P., 2007).

On the other hand, the Russian influence in the region weakens dependence of the states of Central Asia on the countries of Asia, and first of all the People's Republic of China. If the northern and northwest vector of gas policy of the countries of the Central Asian region has been predetermined at the time of the USSR, then the Asian direction of cooperation in gas industry actively develops at them in recent years.

Further cooperation of the Russian Federation with the states of Central Asia is essential for control over supply of gas from this region to the western markets and according to preservation of positions of Russia in the European market of gas. Otherwise export gas pipelines of Central Asia can be sent not only through Russia to the EU, but also to China, Pakistan and India, having competed with the Russian gas there.

Strengthening of positions of the Russian Federation in the region in economic area is possible by granting the large credits or participation in modernization of transport infrastructure, use of the Russian gas pipelines for export transit, advance of the Russian companies and business to the countries of Central Asia, investments into gas exploration and production, creation of joint ventures for transportation and gas production.

The countries of Central Asia have prospect to change the orienting points. If in the 90th economic influence in the region was strengthened by the USA, then China comes now. Needs for gas of the rich countries of Asia – South Korea, and especially Japan, are extremely high and tend to growth, and undoubtedly, it is an important factor for the countries of the region. However, these Asian countries are too removed from Central Asia, with them it is difficult to

plan quickly realized gas transmission projects.

The market of gas in the People's Republic of China is huge and will violently grow so the countries of Central Asia created to the large independent gas region are a potential supplier of natural gas and China, and the Southern Asia. The growing economy of the People's Republic of China looks for new sales markets and applies for political and economic influence in the region. China is interested in energy resources of both Central Asia, and Russia (Pan G., 2014).

It is necessary to mention huge potential needs for gas of India and Pakistan, which also belong to the perspective directions of gas export policy of the countries of the Central Asian region. Iran and Azerbaijan in the light of their long-term plans of development of gas on the Caspian sea offshore can become competitors of the countries of Central Asia. Iran, the second after Russian owner of world gas resources, can become the supplier of gas in the EU and the competitor of the Turkmen gas. In the next years at active gas production on the Caspian sea offshore Azerbaijan passes into number of exporters of gas, and the low price (the way of transportation is shorter) does its gas export by the competitor of the Russian, Iranian and Turkmen gas in the European direction.

By 2017 it is planned to increase oil production in Kazakhstan to 150 million tons, extraction of natural gas to 40 billion cubic meters, and in Uzbekistan and Turkmenistan – to 110 billion cubic meters each country, the considerable part will be exported to the countries of SCO and APEC.

In the long term is expected a sharp increase in supply of energy resources from Russia and Central Asia to China, Japan, South Korea, the countries of Southeast Asia. The share of the countries of APEC in commodity turnover of Russia will rise from 9,5% in 2004 to 35% in 2025 (Pavlov A., 2014). Similar changes will happen also in structure of export of the states of Central Asia.

In these conditions creation of uniform energy space within SCO can be one of important elements of global power policy. Energy concept of SCO includes as the countries – producers of energy raw materials (Russia, Kazakhstan, Uzbekistan, observer - Iran, subsequently, it is possible, -Turkmenistan and Azerbaijan), and consuming countries (China, Tajikistan, Kyrgyzstan, and also India and Pakistan) (Zhuangzhi S., 2012).

The most perspective is the project of creation of Energy Club of SCO. Energy cooperation of the Russian Federation, countries of Central Asia and the People's Republic of

China could work for all participants of the project equally, including also Turkmenistan, which isn't the member of SCO.

The idea of creation of Energy Club of SCO has been put forward in December, 2006 by the Russian president V. Putin. It is previously possible to allocate four measurements of the concept of Energy club:

- 1) global;
- 2) regional-Eurasian (space of Russia, China and four countries of Central Asia);
- 3) sub-regional Central Asian (Kazakhstan, Tajikistan, Uzbekistan, Kyrgyzstan);
- 4) country-oriented (development of six national energy models of SCO members).

Now we generally speak about the regional-Eurasian measurement. Global format is more remote prospect though its elements are partially recognized through implementation of the concept of energy security of the Russian Federation, difficult dialogue between Russia and EU under Energetic Charter, etc. Creation of Energy club will allow not only to build self-sufficient energy structure "producer – supplier – consumer" on the Eurasian space ", but also it is essential to enrich the general strategy of development of SCO, to bring new resources of influence in traditional spheres of safety, economic and humanitarian cooperation.

The "club" principle assumes rather broad and transparent cooperation not only members of SCO, but also the countries-observers, and also an extensive circle of non-state actors (the private energy companies and so forth). More flexible option of Energy club, without rigid political binding, will allow to involve such countries in power cooperation as Turkmenistan rich with gas (taking into account a position of new Turkmen leaders), Azerbaijan, etc.

In regional and sub-regional formats it is possible to propose broader interpretation of a territorial framework of Energy club including also territories of the countries of observers – Iran, Mongolia.

Idea of the president of Kazakhstan Nursultan Nazarbayev, who has formulated methodology of future Asian energy market, and also the statement of the president of Iran Mahmoud Ahmadinejad that his country can act as "platform" for meetings of Ministers of Energy of the countries of SCO for the purpose of studying of opportunities of regional cooperation in development, production, transportation and oil refining and gas expand contours and capacity of Energy Club. The idea of the Asian energy market as some kind of philosophy of power interaction in Eurasia can develop or parallel to this project, or integrally absorb it in itself

(The Institute for War and Peace Reporting, 2011).

Specifics and possibilities of energy space of SCO are characterized by the following features (Luzyanin S., 2012):

1. Lack of the third countries on the way of transportation of energy resources.
2. An organic geo-economic combination of groups of producers-exporters (Russia, Kazakhstan, Uzbekistan) and import consumers of energy carriers (China, Kyrgyzstan, Tajikistan). Taking into account the countries-observers it is possible to speak about interaction of "axis" of producers (Russia – Kazakhstan – Uzbekistan – Iran) and "axis" of consumers of energy resources (China – Tajikistan – Kyrgyzstan – India – Pakistan – Mongolia). Realization and the first and to the bigger extend the second (together with observers) models makes SCO a self-sufficient energy system both in regional, and in the global plan. It is necessary to add "axis" of the countries transporters to these two "axis". In interaction of these three "axis" (gas, oil, nuclear, electric options) development of uniform policy for the prices (taking into account the world market of energy costs and long-term agreements), routes, sales volumes and purchases will be probably the central question at the first stage.

3. The Energy Club SCO is capable to become the effective regulator of internal Central Asian power disagreements, especially on lines Uzbekistan – Tajikistan or Uzbekistan – Kyrgyzstan, resolving bilateral problems in the sphere of an exchange of the Uzbek gas and electricity on water resources of Kyrgyzstan and Tajikistan. The projects of creation of water consortia initiated by the countries of Central Asia and EEU don't reduce intensity yet.

Objective difficulties on the way of implementation of the project of Energy Club are connected first of all with different scale of economies of the countries of SCO and impossibility of full coincidence of interests of producers and consumers of energy resources. In both groups (producers and consumers) always objectively there is a certain competition as, for example, between Russia, Kazakhstan and Iran for sales markets of oil and gas or between such large importers of energy resources as India and China, for sources, routes and volumes of receipt of energy carriers. But within club this tendency can be leveled. In particular, the Chinese market is theoretically capable to absorb any amount of oil and gas offered by Russia, Kazakhstan and Iran.

In spite of the fact that Turkmenistan isn't either a member of SCO, or the observer, the signing of the Agreement on construction of the Caspian gas pipeline between Russia,

Kazakhstan and Turkmenistan, which has taken place on December 17, 2007 indirectly works for idea of Energy club. For Moscow and Astana it would be important to involve Ashgabat in activity of SCO as the observer – it would allow Russia and Kazakhstan to advance more effectively also other gas projects.

Using Power club of the Shanghai Cooperation Organization as the platform for dialogue, which problems would include coordination of actions of the countries – producers of SCO in the regional and world energy market, and also development of cooperation between producers and consumers of raw materials within the organization, consuming countries and the manufacturing countries will be able to discuss more productively implementation of various projects in the oil and gas extraction, electrical power and transport and transit sphere, to trace a situation with growth of needs for oil, gas, the electric power and others energy resources (Fadinsky P., 2013).

Positioning of Russia as an energy super-state becomes not only the most important component of its international policy, but also national ideology. Despite the declared ambitious tasks of transfer of national economy on innovative rails, now the power and production of raw materials define the place of Russia in the international division of labor.

Kungrad and Aktau – Beyneu – Kungrad as a part of the international transport corridor E-40 with a bridge construction through the river Kirach. A coordinator of this project is Uzbekistan. Secondly, development of a transport route Osh – Sarytash – Irkeshtam – Kashgar and the Bratstvo – Dushanbe – Dzhirgatal – Karamyk – Irkeshtam – Kashgar with construction in Kashgar of the reloading terminal for the organization of multimodal transportations. China acts as the coordinator of this project.

In development of transport communications of the region the greatest value is played by the trans-Afghan communications, which are strategically important both for Russia, and for other member-countries of SCO as they will be able to provide the shortest and available overland entry into the markets of the Southern Asia. These communications are of special interest for China in respect of extension of contacts with the countries of the Southern Asia, and also the Middle and Far East.

Development of the trans-Afghan transport connection will sharply increase the volume of transportations in the North direction – the South, in particular in the direction the Southern Asia – Central Asia – Russia – Europe, and will lower transport expenses for all member

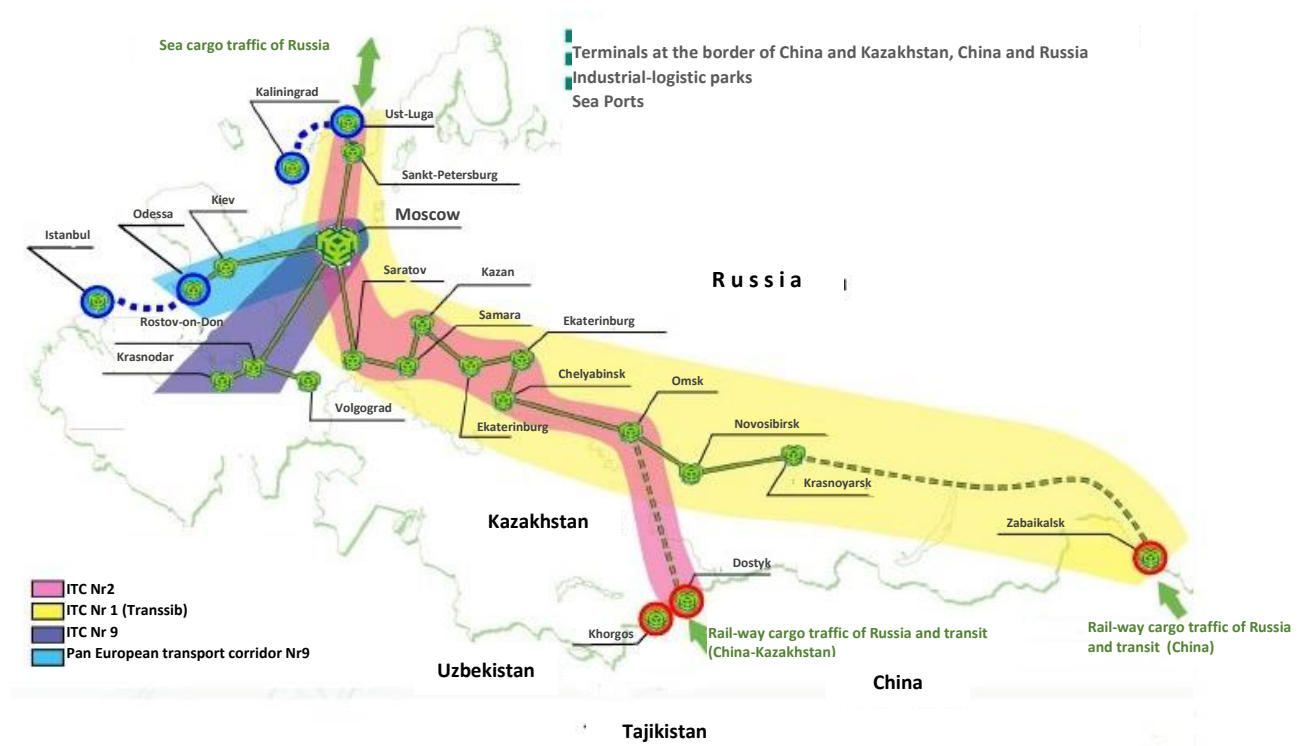
countries of the Shanghai Cooperation Organization. Besides, development of the trans-Afghan transport communications can play a significant role in permission of military intensity in Afghanistan that will have global political and economic effect.

The important direction of transport policy of the region also is a creation of a transport energy system of pipelines “the Middle East – Central Asia – the Pacific Rim”. This system of pipelines will promote overcoming of isolation of Central Asia in the scheme of transportation of hydrocarbons of Eurasia, and also to redistribution of streams of energy resources in favor of SCO member-states.

This transport energy project will be the most profitable when passing across the territory of Central Asia as here the developed system of pipelines is already created, and the directions bypassing the region are characterized by a difficult mountainous terrain. Transportation of hydrocarbons through the Central Asian region will cost much cheaper than sea transportation, and construction of pipelines in steppe and desert areas will significantly facilitate their operation.

It should be noted that projects of these gas pipelines with participation of the countries of Central Asia demand considerable investments, and also have many risks. It is necessary to consider that these gas pipelines change a ratio of forces in the region therefore the conflict of interests is possible. It is more favorable to countries to be the monopolist on trading platforms and not to provide the territory for transit of competitive gas. As for export to China, it is complicated by high costs of transportation to industrially developed east regions of this country. A number of the Russian experts believe that it is more effective to Kazakhstan to cooperate with Russia in the gas transmission sphere. Building of the majority of gas pipelines is possible only at predictable policy of Turkmenistan and Iran, decrease in a possibility of the military conflicts and acts of terrorism in Afghanistan, and also reduction of intensity in the relations between India and Pakistan.

Now through Russia these countries practically have no real alternative to gas export as construction of roundabout pipelines demands several years, and their full load isn't guaranteed. So far the Central Asia-Center gas transmission system remains the only real-life route of gas export of the countries of Central Asia.



Picture 1. Embodiment of infrastructure facilities of member-states of SCO in the uniform transport system.

Source: The Shanghai Cooperation Organization – INFOSHOS. www.infoshos.ru

The most large-scale project realized by organization member-countries is a creation of industrial and logistic infrastructure of SCO within development of the international transport corridor China – Europe.

The main results of implementation of this project will be: (InfoSHOS, 2009)

- development of capacity of transcontinental railway and automobile lines of member-states of SCO;
- development of other infrastructure (electro-and water supply, telecommunications etc.);
- involvement of internal and foreign investors who will create the market of target clusters on various branches with an export orientation will establish close ties in the field of cooperation and specialization of productions;
- involvement of local raw material resources in production and processing;
- introduction of high technologies;
- creation of new workplaces;

- development of border territories and improvement of border cooperation;
- approach of productions to the consumer and decrease of the final product cost;
- acceleration and increase in volumes of goods traffic;
- growth of volumes of foreign and domestic trade and others.

In 2010-2020 development of transport communications and system of pipelines will promote preservation of oil and gas capacity of Russia and the countries of Central Asia, strengthening of economic cooperation within SCO and at the same time to satisfaction of the growing energy needs of China and other Asia-Pacific countries.

Priority of the countries of the Central Asian region, and also Russia is overcoming of raw orientation of their economies by economic integration.

The main direction of Russian-Central Asian cooperation is a creation of joint ventures, first of all in high-tech branches of the industry. It assumes transfer of power-intensive productions on the territory of the countries of the region with more favorable economic conditions, i.e. cheaper labor, smaller energy consumption of production and lower level of expenses on capital construction (Powell C., 2013).

Perspective activities of Russian-Central Asian joint ventures are the following spheres:

- restoration and development of a number of industries, important for Russia (textile and consumer industry) in the territory of the Central Asian region. For example, in the Russian Federation there is practically no own source of raw materials of the textile industry as because of features of climate cultivation of cotton and textile sheep breeding are impossible here. For this reason about 90% of textile raw materials in the former USSR were made in Central Asia;

- development of agrarian sector in the Central Asian region in view of the fact that the region agriculture, which is conducted in a warm subtropical zone is potentially more competitive and, therefore, is investment more attractive, than in many regions of Russia. In the countries of Central Asia cultivation is possible, and in the considerable volumes valuable to the Russian industry of cultures which in more frigid climate either don't grow, or are unprofitable;

- restoration of a number of machine-building productions (mainly agricultural and textile direction, and also aircraft industry and electronics) as the enterprises of these profiles have been constructed in Central Asia and Kazakhstan at the USSR and they can be revived;

- nonferrous metallurgy taking into account that the main industrial reserves of non-ferrous metals of the CIS lie in Central Asia, including also those which in Russia practically

isn't present (chrome, manganese, tungsten and molybdenic concentrates and some other);

- nuclear energy sector (as almost all industrial and profitable deposits of uranium ores of the CIS are in Kazakhstan and Uzbekistan);

- solution of the problem of shortage of labor (especially in Siberia and in the Far East) by adjustable attraction of excess labor from the countries of the region, and also PRC (Powell C., 2013).

Expediency of production cooperation of Central Asia with Russia is respectively caused by a possibility of modernization of the gas and gas transmission capacities constructed in Soviet period inherited by development from the USSR of the enterprises of high-tech industries and also probability of the solution of a problem, sharp for the countries of the region, hidden unemployment (Powell C., 2013).

In Russia during the Soviet period the vastest experience of foreign economic activity in the sphere of construction of facilities abroad, which has been begun in the 50th years has been accumulated.

Under the contracts concluded by foreign trade associations over 1000 industrial facilities of ferrous and nonferrous metallurgy, energy, etc. in the countries of Asia, generally on the basis of domestic technologies have been constructed, reconstructed and modernized.

Annual income from foreign construction reached 10 billion dollars. Since the beginning of the 90th years this activities for a number of the internal reasons have begun to be curtailed. Nevertheless, recently due to the need of reconstruction of both the civil, and munitions factories constructed abroad in the 60-80th years on the basis of domestic technologies there was a need for services of the Russian organizations providing all complex of works including engineering, installation and construction works, delivery of technology and the equipment.

Joint building and reconstruction of objects in the territory of SCO member-countries – the former republics of the USSR, taking into account historically developed economic integration, which needs to be kept both for the benefit of Russia, and for the benefit of these countries are especially actual.

The largest objects are construction of Ragunsky hydroelectric power station and reconstruction of aluminum plant in Tajikistan, construction of oil and gas processing plants in Uzbekistan and Turkmenistan, development of fields of precious, non-ferrous metals, uranium and other minerals in Kyrgyzstan, Uzbekistan, Kazakhstan. Therefore, from the countries of Asia

new orders for construction and reconstruction of objects abroad come to Russia.

The most perspective project is a creation of the innovative city of Konstantinovo with the participation of Russia and Kazakhstan and use of the Chinese experience in construction of science and technology parks. Construction has begun in 2007 in 11 km from Moscow. The total amount of investments will make 15 billion dollars, and completion date of construction was finished in 2015.

Strategy of development of the Russian Federation is directed to increase in a share of the knowledge-intensive hi-tech production, and creation of science and technology park will allow to increase appeal to work of the innovative companies. The science and technology park in Konstantinov will become the center of mutually beneficial cooperation of the state in the sphere of science and education, and also private investors from Russia, Kazakhstan and the People's Republic of China. A main objective of the project is development of scientific and technical, innovative and industrial capacity of the region. Nanotechnologies and information technologies will become the main directions of specialization of science and technology park.

Tasks of science and technology park of "Konstantinovo" are the following (InfoSHOS, 2009):

- creation of conditions for development of the innovative enterprises by granting office and floor spaces, rendering services and training of personnel;
- creation of the infrastructure allowing to unite participants of all stages of performance of research and development: from research works before creation of a prototype of an industrial output and transformation of technology into a commercial product;
- providing innovative projects with financing due to attraction of state budgetary funds, private and foreign investors, own investments, financial aid;
- promotion of competitive production of science and technology park in the global market, attraction for collaboration of foreign experts, development of foreign economic activity;
- rendering assistance to local bodies of authority and management in support of the knowledge-intensive business, development and implementation of economic and social programs.

In general the organization of system of foreign construction is capable to bring in 2016 currency inflows in volume to 0,7 billion dollars with further increase within 5 years up to 3 billion dollars taking into account the volume of contracts signed in this period to 7-8 billion

dollars.

Innovative and production integration of Russia and the countries of the Central Asian region will lead also to significant increase in volumes of a cargo transportation on the existing system of transport communications and strengthening of cooperation in other spheres of economy.

Besides development of multilateral power cooperation, transport ways and pipelines of member countries of SCO cooperation in communication and communications began to play an important role. The most perspective project in the field is the High-speed information 121 highway SCO (InfoSHOS, 2009).



*Picture 2. Scheme of the project "High-speed Information Highway (HSIH) of SCO"
Source: The Shanghai Cooperation Organization – INFOSHOS (www. infoshos.ru).*

The "High-speed Information Highway of SCO" project is created for the solution of a global problem of transit of the Eurasian traffic. Besides, this project acts as an infrastructure basis for introduction of modern info-communication technologies in SCO region.

Now continuously cooperation between SCO member-states extends and goes deep, the requirement of telecommunication between the countries of the region grows. The volume of services both in the international telephone talks and also laying special international line increases in big rates. Together with growth of volume of services in the international telecommunication relations also requirements to quality and safety of these services raise.

Main objectives of the project on creation of the High-speed information highway of SCO are the formation within three-five years of the high-level network with a big capacity and high degree of reliability which will cover all space of SCO and to lean mainly on fiber-optical communication lines; creation on this basis of high-speed network platforms and providing to power structures, enterprises and natural persons of high-quality telecommunication services, including services in transfer of voice and digital data, the Internet services etc.

Economic benefits from creation of this project of SCO consist in the following highlights:

1. Efficiency of use of the existing network resources will increase, the income from telecommunication operations on the basis of use of the available network resources will increase.

2. After creation of this project of the member-countries will be united by communication straight lines that will give the chance to increase quantity of the directions of the international exit and to considerably reduce costs of reconnection.

3. Reduction of tariffs of an international telecommunication and increase in width of strips at an exit to the international communication networks will stimulate considerably growth of services of an international telecommunication and the income of this sector.

4. Cooperation in development of a new type of service will promote emergence of new types of service and will stimulate diversification of the income and growth of total amount of the income.

Construction of all complex of the high-level network on data transmission will cost 49 million 400 thousand dollars: at the first stage the total amount of necessary investments makes 35,84 million dollars; for construction of the second stage it will be required still investments for the sum of 13,56 million dollars. The main efforts will be aimed at laying of fiber-optical cables which total amount of investment makes 38,7 million dollars – about 78% of total amount of the invested means.

Considering continuous increase in multilateral economic and investment projects at the state and private levels, public-private partnership has to become the main direction of development of economic integration taking into account the general features of transitional market economy. Therefore in the organization of work within SCO creation of the program and the mechanism of public-private partnership has to become new.

The program of public-private partnership is directed to improvement of integration processes and deepening of the international specialization of member countries of SCO for the account of the following:

- interstate regulation of foreign trade and carrying out the general foreign trade policy for the purpose of optimization of structure, foreign economic relations of the states and increase of efficiency and profitability of the foreign trade operations of the companies – participants of a foreign trade turnover;

- interstate regulation of trade (exchange) of services, including creation of the preferential mode for transport companies and the companies in the field of communication and information, travel and hotel companies, insurance companies and the organizations in health sector and educations;

- the state assistance to investment processes in the sphere of a construction as joint objects in the sphere of power and the industry, within the international cooperation of member countries of SCO, and at the level of national projects;

- creations of favorable financial conditions for development of cooperation both at the state level, and at the level of the separate companies, by interstate regulation and coordination of capital flow within SCO, improvement of interstate currency and credit and financial relations, creation of free (special) economic zones and offshore zones; coordination of calculations for external debts and introduction of new forms of international payments;

- the state assistance to development of scientific and technical cooperation and an exchange of scientific and technical results for their effective use in development of economies of member countries of SCO.

Each member-country of SCO pursues the interests and intends to take an economic benefit from the opportunities of cooperation, which have opened within this international union. Efficiency of this process for each country depends on how it will build the mechanism capable in a varying degree to influence development of national economy, including structure of governing bodies of economic cooperation and system of priority projects which it realizes within SCO.

3.3 Peculiarities of member-countries of SCO

3.3.1 Interests of RF and China in SCO

China and Russia highly appreciate situation and a role of SCO. The Chinese President Hu Jintao at a meeting of Council of heads of states of SCO in Moscow in 2003 has declared that "creation of the Shanghai Cooperation Organization is an important event in the field of development of the international relations at the beginning of the 21st century, and also the most important change of a geopolitical situation on the Eurasian continent after the end of cold war. It proclaims and realizes the new concept of safety and the new theory of the state relations, is engaged in search and development of new model of regional dialogue and cooperation, promotes providing the world and development of the region and the whole world. Thereby SCO has made an important contribution to development of the multipolar world and creation of a new reasonable and fair international political and economic order" (China Embassy in Russian Federation, 2013). It completely confirms important influence of SCO in the field of the solution of regional problems and creation of a new reasonable and fair international political and economic order. The president of Russia V. Putin also believes that "the factor of SCO" is a major factor of stability of the Eurasians region, the influential regional organization, which role in ensuring stability of the huge region becomes more and more significant.

The Sinologue A.A Maslov believes that the Shanghai Cooperation Organization, being initially rather weak, is obliged by the prompt development to existence of common interests of China and Russia within the organization. The unity of opinions and extensive common interests of China and Russia within SCO promoted its successful development, and also were a factor of strengthening of influence of the organization (Maslov A., 2014).

The main objectives of China and Russia is advance of the multipolar world, democratization of the international relations and formation of a new reasonable and fair international political and economic order. The points of view of China and Russia on regional and world problems are rather close or are even identical. So, both China, and Russia against hegemony and strong-arm tactics. Both countries are ready for development of the multipolar world, democratization of the international relations, support development of strategic cooperation between China and Russia, and also strengthening of cooperation with the countries of Central Asia on the basis of the principles of mutual trust, mutual benefit and equality for

stimulation of regional development, social stability and safety. In recent years China realizes strategy of "a peace sublimation".

Russia also actively tries to develop economy to restore influence and situation on the international scene. The unipolar model of the world of the USA and the existing world political and economic order seriously limit China and Russia in achievement of the above-stated purposes. Therefore in the conditions of the enormous pressure of strong-arm tactics of the USA China and Russia consider SCO as the platform ensuring the state security allowing to develop the multipolar world and to democratize the international relations.

For this purpose China and Russia need promotion of the advanced concepts and concepts by means of SCO, for example ideas of multi-polarity, the new concept of safety on the basis of mutual trust, reduction of armaments and safety of cooperation, "the Shanghai spirit" (joint development on the basis of mutual trust, mutual benefit, equality and respect of variety of cultures). China and Russia have made the above-stated ideas the principles of interaction between SCO member states, and also carry out construction of a new reasonable and fair world order for protection of strategic interests of China, Russia and the countries of Central Asia, ensuring state security and social stability.

The new concept of safety and "the Shanghai spirit" are expression of trends of an era. These ideas promote protection of geopolitical interests of China and Russia in Central Asia, and also to providing the world and stability in the world therefore they enjoy wide popularity in China, Russia and neighboring countries. These ideas became a basis of implementation of political, economic cooperation and cooperation in safety within SCO. The idea of multi-polarity of the world contradicts one-polarity. Multi-polarity is the objective tendency of world development which has become the main idea of foreign policy of Russia.

The idea of multi-polarity offered by Russia, meets the purpose of foreign policy of China on creation of a reasonable and fair international political and economic order therefore China shares this position. Stimulation of formation of the multipolar world became the main content of interaction of China and Russia within SCO, and transformation of SCO into one of the centers of the multipolar world, increase of a role of SCO in the sphere of ensuring regional security and stability, strengthening of a role of the organization in Central Asia (Chzhen Y., 2007) became main objectives of foreign policies of China and Russia. In the joint declaration of China and Russia of 2004 it is told that "stimulation of development of the Shanghai Cooperation

Organization is the priority direction of foreign policies of China and Russia. The parties consider SCO as the most important tool of the statement on the Eurasian continent, first of all in Central Asia, the world, safety and cooperation – major factors of future construction of the multipolar world order based on international law" Swanstorm N., 2012).

China and Russia hope to protect the geopolitical interests in Central Asia by means of the Shanghai Cooperation Organization. These countries would like to keep stability of "strategic space" of such important part of the Eurasian continent as Central Asia, to keep calm in the region to provide the stable strategic back for both countries in Asia; in common to constrain attempts of penetration and expansion of influence in the region from the USA. In recent years the USA seeks for achievement of the main four objectives in Central Asia: gradual narrowing of strategic space of Russia in the region, prevention of joint control over the region from Russia and China; prevention of distribution of terrorism; stimulation of "democratization" of five countries of Central Asia, construction of strategic strong points; receiving new stable sources of energy resources; penetration into Central Asia by means of use of political, economic, military, cultural and other means and long-term presence. China and Russia believe that continuous presence of the USA and forces of NATO in Central Asia is a negative factor, and hope to stop expansion of NATO in Central Asia by means of SCO.

In this situation China and Russia can provide balance of forces in the Central Asian region, and also guarantee strategic interests of two countries in the region only by strengthening of multilateral cooperation with the countries of the region on the basis of good-neighborhood and mutual trust through SCO as a result to constrain penetration and strengthening of influence of the USA and the western forces in the region.

Besides, China and Russia seek "to strengthen integrity of the territory by means of SCO, and also to stabilize and develop backward and unstable areas, to block ways of strengthening of influence and hegemony of the West, to strengthen opportunities in the field of fight against "three forces of evil", to strengthen economic relations with the countries of Central Asia, to develop with them good-neighborhood, to fix the strategic leading position in the region"; to carry out successfully foreign policy of both countries; and also hope for support from the countries of Central Asia in the international affairs. "The government of China highly appreciates the fact of creation and development of the Shanghai Cooperation Organization. This embodiment of externally political policy of China aimed at the development of good-

neighborhood, and also a necessary condition of peaceful development" (China Embassy, 2013). China, carrying out by means of SCO foreign policy on the basis of the concepts "quiet neighbor" and "friendly neighbor", seeks for stabilization of a situation and development of the western regions of the country. Russia, being in a situation, when the USA makes attempts to compression of its strategic space, also needs support of the countries of Central Asia for implementation of the Central Asian strategy.

Russia also seeks for stabilization and development of the east regions by means of establishing interaction between Central Asia, Siberia and the Far East in the field of energy resources.

Fight against "three forces of evil", joint fight against terrorism and protection of state security – all this coincidence of strategic interests of China and Russia in the Shanghai Cooperation Organization. All member states of the Shanghai Cooperation Organization in a varying degree are in the face of threat of terrorism. For example, for China it is a problem of "East Turkistan", for Russia – Chechnya, and also terrorist forces in other countries of Central Asia: "Islamic party of revival", "The Islamic movement of Uzbekistan", "Islamic party of release". In recent years threat of "three forces of evil" to China, Russia and the countries of Central Asia not only hasn't decreased, but also has increased that directly influences unity, territorial integrity and national problems of the Central Asian region and the respective countries, social stability and economic development and even safety and stability in regions of borders.

Therefore China and Russia need to construct dialogue at the highest levels with the countries of Central Asia concerning fight against terrorism, the mechanism of exchange of information by means of SCO to eliminate threat of "three forces of evil" for China and Russia. Actually the Shanghai Cooperation Organization already became an important platform for joint fight of China, Russia and the countries of Central Asia against "three forces of evil".

Other general interest of China and Russia within SCO consists in stimulation of stable economic development of the Central Asian region, strengthening of cooperation with the countries of Central Asia in economy, energy resources, transport, and also stimulation and filling by the new content of cooperation among themselves.

High degree of dependence of national economy on foreign trade is characteristic of Russia, and in structure of export the big share is occupied by energy resources and raw

materials. China is now at an average stage of industrialization of which increase in need for energy resources and raw materials is characteristic. Energy resources and other raw materials of Russia and the countries of Central Asia are necessary for China, and within SCO China will be able easily to receive the strategic resources necessary for ensuring stability and speed of economic development of the country. Therefore China actively advances process of economic integration of SCO. Besides, there is a good base for trade and economic cooperation of China with five countries of Central Asia. It is not only about undoubted historical, cultural and geographical advantages, and also about complementarity of structures of resources, productions and technicians. Similar policy guidelines have caused formation of modern system of railway, automobile and aviation channels of interaction, which center is Urumqi. On this background China uses various flexible forms of cooperation, broadens territories and spheres. Interaction of western regions of China with the countries of Central Asia means transition to a new step of cooperation that will promote economic development of the western part of the country (Tszigan C., 2013).

Russia needs rich energy resources of the countries of Central Asia to cover the possible deficit of the export. Certain western scientists even "doubt that Russia and China by means of SCO seek to prevent penetration of the USA and the countries of the West on promptly developing Central Asian market of energy resources and to monopolize export of energy resources. For example, Beijing offers the countries of Central Asia the credit on profitable terms for the sum of 900 million US dollars to strengthen cooperation between China, Russia and the Central Asian countries in the sphere of energy resources and to open for them the market of energy resources". Russia, China and the countries of Central Asia are in the face of threat of "three forces of evil" and as poverty is base for terrorism, but economic development is an effective method of fight against "three forces of evil". China and Russia are aimed at strengthening of economic cooperation between SCO member countries, stimulation of economic development of the region for fight against "three forces of evil". In one word, in the field of regional economic development China and Russia have the huge potential and interests for cooperation. The Shanghai Cooperation Organization gradually becomes base for the embodiment of long-term economic interests and close economic cooperation of China and Russia.

There is one more similarity of strategic interests of China and Russia: strengthening of

interaction with Iran. Iran holds very important geopolitical position in this region. China in a large number imports oil from Iran, and Russia sells to Iran the weapon, and also carries out construction of nuclear power plant.

The USA seeks for change of the political power of Iran to take control of the Middle East. Long-term interests of the USA in Iran are absolutely clear: change of the operating political system, control over oil and gas, supply of oil and gas from under control Central Asia and the Caspian region bypassing Russia and China on the shortest way. Therefore China and Russia seek to strengthen interaction with Iran within SCO to some extent to protect Iran.

Besides, some western scientists analyze interests of China and Russia within the Shanghai Cooperation Organization from the ideological point of view. They believe that "political regimes of member-states of SCO possess similar lines, such as, for example, high centralization of the power. Member-states of SCO pursue the aim on ensuring stability of the political regimes by means of SCO". David Wall from the Asian program of the British international analytical center (Chatham House) called SCO "club of dictators". Only thanks to existence of extensive common interests of China and Russia within SCO the organization has begun to develop so promptly, and its influence and situation on the international scene constantly began to increase. Steadily significant role in the decision regional and even world problems is observed. The Shanghai Cooperation Organization has created good base for development of closer cooperation between member-states.

3.3.2 Kazakhstan and SCO: main results and problems of interaction

Kazakhstan, carrying out foreign economic activity, seeks to prove as the active and full-fledged member of SCO. Confirmation to it is a nature of participation, a position and results archived by the country within actions of the Organization.

1. *Participation of Kazakhstan in documents of SCO.* Kazakhstan participates in the constituent, program and regulating documents of the Organization:

- The declaration on creation of SCO, is accepted by heads of the participating states on June 15, 2001 in Shanghai;
- The Charter of SCO is signed in June, 2002;
- The Memorandum of the main directions of regional economic cooperation and of start of process on creating favorable conditions in the field of trade and investments has been signed

at the first meeting of heads of governments of the states of SCO in Almaty in September, 2001 and became basic element in formation of its economic component.

- The program of multilateral trade and economic cooperation of member states of SCO is approved by Council of Heads of Government in September, 2003

- The plan of measures on implementation of the Program of multilateral trade and economic cooperation of member states of SCO accepted in September, 2004 became logical continuation of development of contract and legal base of the Organization.

- Declarations of heads of states. The last is the Dushanbe declaration of heads of states — members of SCO, accepted on August 28, 2008 during the next summit of the Organization;

- Participation of the Kazakhstan structures in development of the documents defining the interaction mechanism in SCO. As important result of activity of Kazakhstan in SCO it is possible to consider participation of its analytical and administrative structures in development of projects and offers on changes and additions to the provisions of "Criteria of Acceptance of the New Countries — Participants of SCO", "About the Status of the Partner in Dialogue", "About the Status of the Observer". Such important document as Asian energy strategy, is developed by the Kazakhstan analytical structure.

In general Kazakhstan within SCO has signed over 30 documents.

2. Carrying out in Kazakhstan the summit of the Organization. In July, 2005 in Astana the meeting of heads of states — members of SCO during which it has been decided to found institute of permanent representatives of member countries to Regional anti-terrorist structure (RATS) of SCO has taken place and to approve the Concept of cooperation in fight against terrorism, separatism and extremism, and also the Provision on permanent representatives of the participating countries in RATS.

Under the results of the summit in Astana declaration of heads of states in which it was specified that for increase of potential of fight against terrorism, member states of SCO will consistently expand with separatism, extremism interaction on the economic direction has been adopted, being guided by the Program of multilateral trade and economic cooperation.

3. Activity of the representative of Kazakhstan on a position of the Secretary General of SCO from 2007 to 2009 is an important element of active and full participation of the country in the Organization.

4. *Opening of the International center of border cooperation "Khorgos"*. An important

role in trade and economic cooperation of the countries of SCO is played by the International center of border cooperation of "Khorgos" created in 2005 between Kazakhstan and China.

5. Participation of Kazakhstan in economic institutes of SCO:

- Business council of SCO (BCSOS) has been created in Shanghai in June, 2006. It has to perform expert work within the Organization and develop recommendations about the perspective directions of interstate trade and economic cooperation.

Kazakhstan took active part in various actions of BCSOS. Mechanisms of regulation and coordination of trade and economic interaction have been developed, questions of investments were repeatedly discussed.

- The Interbank Consortium of SCO is created according to the agreement on interbank cooperation signed in Moscow in October, 2005 by representatives of banks of member-states of SCO. It provides interaction in the field of financing and participation in investment projects. Such form of interaction is recognized as the most effective and flexible.

At the same time in foreign economic activity of Kazakhstan within SCO there are some problems:

1. Internal contradictions of the Organization, which existence constrains full cooperation of Kazakhstan with SCO:

- not coordinated interaction of RK with the states of SCO;
- distinctions in approaches and mechanisms of liberalization of the foreign trade and investment activity;
- presence in the region of EEC and other integration economic structures, which weaken influence of SCO in this field;
- the commodity expansion of China, which is carried out by it concerning Russia and the countries of CA, representing threat for their economy;
- lack of the balanced interaction in the field of economy in SCO countries.

Existence of such contradictions is caused by political interests of the strongest State Parties of the Organization, their unwillingness to make a compromise in the solution of questions of trade and economic cooperation. In this regard the risk of emergence of a stagnatory situation increases.

2. High differentiation for a development level of economies of the countries of SCO.

The important factor weakening economic cooperation of Kazakhstan with SCO

countries is various level of their development. The highest average annual rates of economic growth are fixed in China — more than 11%. It is followed by Kazakhstan and Russia having, respectively, 10% and 8%. The lowest indicators are at Tajikistan, Uzbekistan and Kyrgyzstan — 7%, 6% and 5%. It causes deficiency of goods in the markets that is negatively reflected in interaction of the countries in the field of trade.

Such situation constrains integration processes on the way to achievement of an economic level of the world market. Therefore experts, considering necessary acceleration of development of an infrastructure component, note that "efforts of such regional states as Russia and China, in infrastructure development of the territories expand domestic markets and the markets for neighboring countries of CA (including not having an outlet to the sea) experiencing obvious difficulties at adaptation to globalization.

The large national companies and banks of Russia, the countries of CA and China are capable to enrich interaction of three parties significantly. There is an obvious need in large collective projects of development of infrastructure. The development bank of SCO, joint investment committee or something like that is for this purpose necessary (Salitski A., 2012).

3. Existence of obstacles in development of foreign economic relations of Kazakhstan with other members of SCO. The situation developing in the field of economic cooperation between SCO countries can be considered on four main indicators: condition of customs procedures, environment protection, uniformity of standards and mobility of business. The situation in these spheres leaves much to be desired.

It is required to take a number of measures for change of the existing situation. So, according to the forecast of experts, increase of expenses on improvement of customs affairs only for 10% will increase trade volume between the countries more than by 10 billion dollars.

Also there is a considerable divergence between the plans declared in basic documents and their realization in practice that constrains and complicates development of foreign economic relations of the Organization. Mechanisms of interaction are still imperfect and are at a formation stage.

4. Insufficient level of use of the transport and transit capacity of SCO by Kazakhstan. Level of use of the transport capacity of the region by Kazakhstan is insufficient. Transit routes in the direction of east part of China, the North and the West of Russia aren't used.

A negative role is played in some way by the following factors:

- insufficient interaction of Kazakhstan with other countries of the region in the field of increase of transit potential;
- low indicators of speed of a cargo transportation on the region, their bad coordination;
- wrong tariff policy of a cargo transportation;
- unsatisfactory technical condition of vehicles;
- a low technological level of the railroads in the region.

The specified factors prevent Kazakhstan to make the contribution to integration of transport system of the region and to fully develop foreign economic activity.

5. Insufficiently effective work of government institutions of Kazakhstan in questions of cooperation with SCO. At an assessment of extent of participation of Kazakhstan in SCO insufficiently effective work of government institutions of the country attracts attention, their activities for implementation of the made decisions and carrying out planned actions are badly adjusted. Offers and recommendations of the Kazakhstan side for their further introduction for consideration into the Secretariat of SCO are insufficiently accurately developed.

In general the specified problems constrain development of economic activity of Kazakhstan in SCO, slow down diversification and growth of competitiveness of its economy. For this purpose it is necessary to define the perspective directions of development and activity of the country within the Organization.

3.3.3 Constructive role of Uzbekistan in SCO

On June 23-24, 2016 in Tashkent the meeting of Council of heads of member states of the Shanghai Cooperation Organisation, which celebrates 15-year anniversary of the creation this year has taken place.

Judging by publications the international mass media of analytics and experts don't doubt that the Tashkent summit of SCO will have historical character. The decisions made by heads of states considerably will advance positioning of the Organization, will provide its further expansion.

Also special importance of adoption of the Action plan for realization of Strategy of development of SCO till 2025 which has been approved by Council of heads of member-states of SCO in Tashkent is noted. One of the main questions of the summit – signing of the

memorandum of obligations for India and Pakistan for obtaining the status of SCO member-states by them.

Uzbekistan also consistently supports effective trade and economic cooperation and promotes a raising on the new level of cultural and humanitarian interaction. Including promoting further development and deepening of effective cooperation and friendly interchanges in spheres of ICT and tourism, science and education, culture, archaeological, historical and architectural heritage, different types of art.

New opportunities for economic development of the region and unprecedented earlier large joint infrastructure projects due to the Chinese investments, Funds and Banks of their support including assistance to development of small and medium business of Uzbekistan have opened.

Uzbekistan also arranges different International fairs in Uzbekistan and abroad, successfully participation in them. They participate also with their unique export-oriented production of agricultural products (the most tasty, the natural saturated with vitamins - fruit, vegetables, melon, juice, thanks to unique climatic conditions), the cotton and textile industry, on the basis of deep processing of raw materials, including gas and petrochemistries, etc.

The important contribution to these processes is made also by creation of special economic zones: Navoiy, Jizzakh and Angren, and also territories of the advancing social and economic develop All this is necessary for the fullest realization of opportunities of logistics and transit capacity of the territory of Uzbekistan - as shortest route, the revived Great silk way connecting the East and the West.

Uzbekistan, thanks to a constructive campaign to realization of numerous and vital tasks, successfully realizes in practice, and not just in words the common strategic objective - maintenance of stable economic development and assistance to shared prosperity of the countries of SCO, at the same time successfully using such advantages as geographical proximity and economic complementarity, carrying out at the same time a role of the binding bridge between the states.

For example, in Uzbekistan the railroad Angren-Pap, which has opened the shortest way from the Fergana Valley to Tashkent is recently opened. On complexity of construction this project on a global scale takes the place in the first eight. Tunnel extent through Kamchik makes 19,2 km., he is recognized as the longest in the territory of Central Asia.

Uzbekistan goes today on the way of industrially developed countries of the world today - the strong high-quality growth based on export of finished products and diversification of economy. Not many countries managed to reach such achievements. So, perhaps, in 10-20 years there will be written articles about the Uzbek economic model and the reforms, which have allowed the Post-Soviet republic to become the strong and developed state in every respect.

3.3.4 Problems and perspectives of Kyrgyzstan membership in SCO: military-political aspect

At the present stage the decisions made within SCO directly influence foreign policy solutions and steps of member states in the region.

Besides, about a maturity of the Organization says the fact, that such large political players as the USA and other countries, are forced to react to all decisions of SCO as they infringe on their direct geopolitical interests in the Central Asian region immediately.

The conclusions of the 10th anniversary summit of SCO, which was taking place in Astana when in the final declaration of the Head of member-states of the organization have made demands about definition of concrete completion dates of military presence of the international anti-terrorist forces deployed on the American bases in Kyrgyzstan and Uzbekistan in connection with end of an active phase of a counter-terrorist operation in Afghanistan against the remains of forces of the "Taliban", became not an exception also.

This declaration concerning a new role of SCO as a peculiar regional counterbalance, first of all on the way of geopolitical aspirations of the USA in the Central Asian region has caused various opinions and estimates of experts.

In this regard there appears another problem consisting in development of an optimum position of Kyrgyzstan and Uzbekistan, having in the territory the American military bases to keep the partner military-political relations both with the USA, and with SCO.

As a result of so far many experts are interested in the foreign policy position of Kyrgyzstan, the full member of SCO allowing to place practically on a termless basis the USA air force military base "Manas" (Krushinskaya K., 2013).

First of all it should be noted that the Kyrgyz Republic, along with other member-states of SCO, has made the feasible contribution to process of formation and further development of the Shanghai Cooperation Organisation, actively taking part in development of standard and

legal base, creation of structures of management of military-political and other intereconomic actions.

The existing internal political situation turned into the known March revolutionary events, which as if have received relay from the previous "color" revolutions in Georgia and Ukraine, has brought opposition forces to political power that, in turn, assumed possible change of foreign policy reference points of the Kyrgyz Republic and designing of the new concept in this area including concerning activity of SCO.

However no essential changes in a foreign policy of Kyrgyzstan have happened, the certificate of what is commitment of former strategy, so-called multivector national foreign policy.

Carrying out this policy gives to Kyrgyzstan an opportunity how to adjust and keep positive military-political contacts within SCO, and to take active part in joint military actions under the auspices of NATO and OSCE. It should be noted especially that, besides Kyrgyzstan, three more Central Asian states, being full members of SCO, carry out versatile military-political cooperation with NATO and, in particular, with the USA.

Military-political aspects of cooperation within SCO are especially actual for Kyrgyzstan in the conditions of the modern political realities, which have developed in the Central Asian region, joint coordination of efforts on fight against the international terrorism and religious extremism is very necessary now, for further settlement of the boundary situations developing on borders of member states of the organization.

In these conditions the Kyrgyz side, first of all through the Ministry of Defence and foreign affairs, has a number of the problems interfering full and fruitful participation in activity of SCO.

At the present stage these main problems can be characterized in the following way.

Firstly. SCO developed and accepted at the 10th summit in Astana the declaration, having read requirements to the USA about determination of concrete terms of stay of the military contingent of collective anti-terrorist forces in the territory of Kyrgyzstan and Uzbekistan, neighboring to it, which are members of the Organization has put thereby in a difficult situation not only the U.S. Government, but also the new leadership of Kyrgyzstan. At the summit Kyrgyzstan has been forced to join the collective decision on behalf of SCO, and then after negotiations with the Minister of Defence of the USA D. Rumsfeld, who has arrived to Bishkek

to change the decision and to agree to further functioning of the American base in the Kyrgyz territory.

As a result before the government of Kyrgyzstan some dilemma at the choice of the priority relations with SCO or with the USA began to appear.

In this regard it should be noted, that the American military base of the Anti-terrorist coalition is present in the territory of Kyrgyzstan as a result of the concluded interim agreement for full political stabilization of a situation at Afghanistan and the Taliban's forces, which has practically been complete more than three years ago isn't limited only to an active stage of military operations on overthrow of the remains.

Besides, presence and functioning of the Russian military base as well as American, is a key factor of control of possible mass actions of forces of the international terrorism in the territory of Kyrgyzstan. And first of all the fact that Kyrgyzstan has no sufficient military resources yet is the main reason for such situation.

Also great influence on the positive decision of Kyrgyzstan on the issue of placement of military base was exerted that from the moment of its opening at the end of 2001 about \$52 million from military department of the USA annually come to the state budget. And at the last meeting of the leadership of Kyrgyzstan with the Minister of Defence of the USA D. Rumsfeld in July, 2005 by the American side it has been declared that it gratuitously allocates until the end of the year \$200 million more along with increase in a rent for the used territory of the "Manas" airport where the base is deployed (Minds C., 2013).

And, at last, stay on a termless basis of forces of the Anti-terrorist coalition in the territory of Kyrgyzstan is favorable to the Ministry of Defence of KR in respect of receiving various military technical assistance from the USA and, of course, promotes deepening and expansion of the Kyrgyz-American military-political cooperation.

Practically Kyrgyzstan receives the same help also from the Russian partners. So, for example, recent visit to Kyrgyzstan of the Minister of Defence of the Russian Federation S. Ivanov has come to the end with the next delivery of some military technical assistance for Armed Forces of KR.

Thus, simultaneous military presence of the American and Russian bases is favorable to the Kyrgyz Republic both in military-political, and in the economic plan. At the same time from the military-political party promotes strengthening and technical improvement of national army

of KR.

Besides, dislocation of the Air Force military base of Russia in Kyrgyzstan has been provided both within joint anti-terrorist operation, and within military-political cooperation on SCO line.

The second. The leaders of the Kyrgyz Republic through the Ministry of Defence and foreign affairs have still not developed so far the uniform concept purposeful, so, and effective activity of the country within SCO.

So, military department has accurate reference points on participation no national Armed Forces within the military events held by SCO, despite existence of big standard and legal base of the organization yet. If it concerns, for example, fight against the international terrorism, then in Kyrgyzstan it is necessary to have special military divisions which during military tactical maneuvers constantly would fulfill skills and methods of liquidation of terrorist groups.

Also the need for an exchange of military information between SCO member states is already felt that would promote closer coordination of efforts on prevention of possible military threats in Central Asia.

Besides, for full participation in the military tactical maneuvers staged under the auspices of SCO the Ministry of Defence needs to accumulate accumulation of own financial and technical means, along with the corresponding combat training attracted to these purposes of divisions.

The third. During the present period existence of a number of the political contradictions arising between SCO member states causes big concern.

In this aspect it concerns a condition of the present Kyrgyz-Uzbek relations. In spite of the fact that both states are full members of the Organization, between them there is a number of unresolved problems in the field of boundary settlement. The solution of boundary questions is interfered by a set of factors of both territorial, and ethnic character.

Essential harm to the boundary relations is done by existence of a number of the mined border districts, for example in Batken Province of Kyrgyzstan that led more than once to loss of life among the local population which is undermined on the antipersonnel mines established by Uzbekistan. On this problem the Kyrgyz leaders constantly support providing maps of all minefields by the Uzbek side and implementation of joint mine clearing of border territories.

Besides boundary problems between two countries, considerably aggravate intensity in

the Kyrgyz-Uzbek relations and the recent Andijan events which have caused rough reaction in the world community.

In this situation at acceptance of the Uzbek refugees the leadership of Kyrgyzstan has been forced to listen to requirements of the international organizations, first of all the UN and OSCE, and also the U.S. Governments and to arrive according to the existing international standards about the status and the treatment of refugees and by that to give the chance of OSCE to transport those to the third countries.

All this has considerably worsened the foreign policy relations between Kyrgyzstan and Uzbekistan and has led to insubstantial accusations of the Uzbek side that the Andijan events became possible because of penetration from the Kyrgyz territory of large terrorist groups where they allegedly had combat training, in particular on the proving ground of "Teeke" belonging to the Ministry of Defence of KR. On what the Ministry of Defence of KR repeatedly declared that on this ground army divisions which regularly improve the combat training are placed, and the statement for preparation here of terrorist groups is just absurd and, undoubtedly, causes damage to the bilateral relations.

On the above-named problem other member states of SCO could take more active position to promote optimum permission of the available Kyrgyz-Uzbek foreign policy contradictions.

On the above-named problem other member states of SCO could take more active position to promote optimum permission of the available Kyrgyz-Uzbek foreign policy contradictions.

Experience of development of SCO which is originally created for settlement of boundary questions between its participants could be during the present period useful to initiation of her mechanisms in aspect of the modern Kyrgyz-Uzbek boundary relations.

The fourth. Another, but at the same time in some way the similar problem existing and in the relations between Kyrgyzstan and People's Republic of China in the field of again arisen boundary settlement, nevertheless treats military-political aspect of relationship of two countries more. With coming to power of opposition, perhaps, attempt of revision of the Kyrgyz-Chinese agreements in the field of boundary settlement as the all-popular belief that the considerable part of the territory of Kyrgyzstan has been simply transferred by the former mode to structure of the People's Republic of China was firmly fixed in the Kyrgyz society will be carried out (in

particular, the territory Uzengu-Kusha and other sites).

And, perhaps, on this matter it is necessary to sound a position of member states of the Organization.

Thus, we have have designated only the main problems requiring the adequate solution within SCO and directly exerting impact on the subsequent effective stay of the Kyrgyz Republic in this Organization.

The Kyrgyz Republic as the full member of SCO aspires, as well as other countries consisting in her actively to promote its effective activity in order that it became the real guarantor of ensuring regional security in Central Asia.

In these conditions each of member states of SCO connects the prospects of further military-political development, first of all, with activity of this Organization. Not an exception is also the Kyrgyz Republic.

The following activities have to become the main perspective priorities for Kyrgyzstan, as well as, perhaps, and other member states in the field of the military-political relations within SCO:

The first. Increase of effectiveness and development of SCO correspond to military and political interests of Kyrgyzstan and are one of priorities of foreign policy for the next decade. Efforts on increase and consolidation of the status of the Shanghai Cooperation Organisation as main institute in the field of effective ensuring regional security in Central Asia have to become the priority purpose of foreign policy of Kyrgyzstan.

The second. Further improvement of military-political structure of SCO by creation of permanent bodies in it with real powers and adoptions of political decisions is necessary that considerably will facilitate military interaction of Kyrgyzstan with other member states.

The third. Military-political cooperation between member states of SCO has to extend also to other states of the neighboring regions with their involvement in multilateral dialogue, including effective control over conventional arms.

The fourth. Existence of the general threats to security from territorial separatism, religious extremism, the international terrorism, gives, certainly, the special importance to the military-political direction within SCO that corresponds to prospects of Kyrgyzstan.

3.3.5 Positive sides of Tajikistan membership in SCO

During presidency of the Republic of Tajikistan with active support of member countries it was succeeded to achieve notable results on key activities of SCO. According to the developed Plan of the main actions of presidency of Tajikistan in SCO, in the country there has taken place a number of important actions at the level of heads and experts of the relevant ministries and departments of member states of SCO, who have made the powerful contribution to business of forward development of the Organization and increase of her international authority.

Active participation of Tajikistan in SCO is caused by need of strengthening of good-neighbourhood, confidential and friendly relations between member states and observers, and also joint safety, stability and sustainable economic development in the region.

In this context close cooperation of SCO with the UN and other international and regional organizations is also obviously necessary (WarandPeace.ru, 2012).

According to the Tajik diplomat Amak Sattarov: "The position of Tajikistan remains invariable - we support expansion of SCO. In the charter of the Organization it is told that the states sharing the purposes and the principles of SCO can be accepted in it. Another thing is that the legal basis which would regulate process of acceptance in SCO of new members is currently not up to the end fulfilled" (WarandPeace.ru, 2012).

Tajikistan feels concrete results of the membership in SCO. So, the soft loan received in 2006 within SCO of 600 million dollars has gone for construction of infrastructure facilities of republican value - the route connecting northern regions of the country to the capital, the high-voltage lines connecting available and under construction in the south of hydroelectric power station with the central and northern regions. Joint projects in education have huge value: since 2006 within SCO quotas for member states are allocated for training abroad, in Dushanbe the Russian-Tajik Slavic university successfully works. Earlier, for example, Tajikistan by and large had no essential economic contacts with the neighboring China, and now, despite severe climatic conditions in a border-zone, the most part of year boundary transition of Kulma - Karasu thanks to that opening not only commodity turnover between these countries has many times increased is actively used, but also the standard of living of the border Gorno-Badakhshan Autonomous Region of Tajikistan steadily grows.

The huge role for maintenance of safety on space of the Shanghai Cooperation

Organisation is played by Regional anti-terrorist structure (RATS) of SCO which is based in Tashkent. Within RATS SCO systematically there pass councils of heads of security service of our states on which uniform approach to ensuring anti-terrorist safety of member states of SCO is formed, forms and methods of counteraction to the new calls arising in the region are defined and specified. This structure works very effectively that allows to direct efforts to prevention of terrorist manifestations on space of SCO in time.

So far, having taken under control a situation in the sphere of safety in the territory of member states of the Organization, SCO has so got stronger that to within its powers to undertake the solution of the most complex and important regional and global problems of safety. Perhaps, the most essential of them - Afghanistan. Extremely unstable situation in this country continues to destabilize a situation in all Central Asian region, and echoes of this instability in the form of hundreds of tons of the Afghan heroin are threatened by safety of the Russian regions.

The experts familiar with an internal situation are convinced that Afghanistan is able to protect independently the frontier and to ensure internal security, without some foreign participation. Never-ending explosions, firefights, collisions of which the Afghan people were tired long ago will fall into oblivion only in one case - if intervention in internal affairs of the country stops, both from the West, and from the Muslim countries, the financing Islamic fundamentalists. In the region there is a bright example of overcoming of destructive civil strife - Tajikistan. For many years in the country civil war raged, various forces from the outside tried to destabilize a situation in the republic. The Tajik politicians note that exactly thanks to support of the UN and Russia they managed to put an end to intervention from abroad in internal affairs of Tajikistan, to adjust dialogue between warring parties. As a result authorities and the integrated Tajik opposition have come to the agreement, and in the republic the world has set in, restoration of the war of economy destroyed in years has begun. It is possible to apply such experience to Afghanistan.

The main directions on which SCO countries should concentrate efforts under the auspices of the United Nations the Tajik authorities call stabilization of a social and political situation in Afghanistan, including assistance to formation of the state institutes of the power in the republic, assistance in economic rehabilitation of Afghanistan, including joint projects in the power sphere, and also acceptance of joint efforts on counteraction to the narcotic and terrorist

threats proceeding from the territory of Afghanistan.

Undoubtedly, not only the Tajik leaders, but also all other participants of SCO are interested in peaceful Afghanistan. At least, the aspiration of the states of the region in every way to eradicate the terrorist danger going from the territory of Afghanistan, to put a barrier on the ways of supply of narcotic substances doesn't raise doubts. If so, then can be, time to work really has come? Possibly, once you give a bigger weight to contact group SCO - Afghanistan, to lift its status, to hold meetings of group at higher level, up to ministers, the ex-Russian Prime Minister Victor Zubkov at the summit of heads of governments of member countries in Tashkent in 2007 offered, to set to this group the accurate tasks of development of specific proposals of Afghanistan and to start immediately their realization. Likely, there is also a sense to establish the closest cooperation of contact group with other similar structures, such as the working group at Council of ministers of foreign cases of the CSTO on post-conflict arrangement of Afghanistan.

So, in exclusive interview of Nakanuke.RU the director of Institute of economic researches of the Ministry of Economics and trade of Tajikistan Nuriddin Kayumov has declared:" Tajikistan with assistance of other member states of SCO can exert considerable impact on stabilization of a situation in northern Afghanistan, make an essential contribution to development of economic capacity of the country. Besides already available and infrastructure projects under construction - the roads, bridges connecting SCO countries with Afghanistan we nourish also more ambitious idea. In particular, there is an idea of construction of the Dashtidzhumsky hydroelectric power station, largest in the Central Asian region (the rated volume of 4 million kW, the planned power generation of 15,6 billion kWh) which would allow to provide with the electric power both part of our country, and considerable territories of Afghanistan that would be an incitement for development of economy in the region, would create a basis for restoration of the destroyed enterprises, developments of infrastructure. Besides, considerable rising of water above a dam of hydroelectric power station will allow to develop actively agriculture in not developed territory of Afghanistan considerable so far. It is sure if waters is in prosperity, Afghans will use these territories for cultivation of crops, but not poppy as now. Unfortunately, Tajikistan has no sufficient financial means now for implementation of similar large-scale projects therefore we hope for participation in them of our partners in SCO. I believe, creation of the international consortium in the field of power on the

basis of the Shanghai Cooperation Organisation makes sense. It will be our general contribution to rehabilitation of the Afghan economy" (Nakanune.ru, 2008).

The offer of Tajikistan looks rather reasonable. It is thought, Russia with China has plans for the help to Afghanistan, not less large-scale and ambitious, corresponding to economic power of these countries too. The Tajik experts consider that besides questions of regional and global security, within SCO it would be expedient to discuss also a number of questions socially - the economic sphere.

Today the problems of interaction between SCO countries obstructing the free traffic of freights and people on space of SCO aren't up to the end solved. All are also particularly acute questions of migration - in very severe conditions the Tajik citizens who are temporarily in Russia and Kazakhstan work. If now not to create them worthy working conditions and lives, then, considering rate of the going globalization processes, reorientation of flows of migrants to other states in the future isn't excluded that will negatively affect economy of Russia and Kazakhstan. One more important subject - sharing of hydro-electric resources which Tajikistan has. In the territory of the republic 57% of water stocks of the Central Asian region are concentrated, and, therefore, construction of a significant amount of hydroelectric power stations is potentially capable to provide with the electric power and Tajikistan, and all his relatives and distant neighbors. On condition of implementation of global projects on development of hydropower industry, joint with other member states of SCO, in the long term capable to replace the thermal power plants causing significant ecological damage in a large number operating in Central Asia, Tajikistan is ready to declare the water resources the general property of all people of the region. Also the capacity of SCO can be involved in restoration of the enterprises of all-union value which were earlier operating in the territory of Tajikistan which could be used further for the benefit of all member states of the Organization (Lillis J., 2013).

The head of department of macroeconomic researches of Institute of economic researches professor Hodzhamakhmad Umarov, assessing results of participation of Tajikistan in the Shanghai Cooperation Organisation positively, at the same time sees a certain danger to republic economy in increase in balance of the foreign trade balance of Tajikistan with China, Russia and Uzbekistan (to 1 billion US dollars). According to Umarov, Tajikistan needs to realize export-oriented economic policy, including, within SCO (Lillis J., 2013).

3.3.6 India and Pakistan in SCO – entering process

The summit of the Shanghai Cooperation Organisation (SCO), which has finished the work in Ufa in July, 2015 became a unique event. First, for the first time in the history of the organization procedure of inclusion in its ranks of new full members — Pakistan and India has been begun.

The beginning of procedure of inclusion in SCO of India and Pakistan became the main news of the summit. To the last in mass media doubts about whether it will be possible to two neighboring countries, which relations are far from ideal, to secure with trust of the countries founders of the organization and to receive the status of the full member sounded.

The relations of Delhi and Islamabad remain intense since the partition of the British India in 1947. Between India and Pakistan there were several full-scale wars — in 1947-1948, in 1965 and 1971, and also a number of small border conflicts. The question of territorial ownership of Kashmir became the reason of two wars. India accuses army and intelligence agencies of Pakistan of support of separatists in the State of Jammu and Kashmir. Islamabad denies these accuses.

Numerous attempts to improve the relations have been made, in particular, the parties have signed Ceasefire Agreements in 2003. However after acts of terrorism in the Indian Mumbai in 2008 where about 160 people have died, India has stopped peace talks with Pakistan. Delhi demands from Islamabad of objective investigation and punishment of all involved in acts of terrorism.

Even in the morning in day of action the president of Uzbekistan Islam Karimov at a meeting with the Russian leader Vladimir Putin has declared that he has a number of the difficult questions connected with the future presidency of Uzbekistan in SCO and expansion of the organization. In particular, Uzbekistan would like to know how long will be process of accession of the new countries to SCO. Karimov called it a difficult question taking into account that both of these countries have the nuclear weapon, and it will change not only the political map, but also alignment of forces (RIA Novosti, 2015).

However after a meeting of leaders of the countries of SCO in a narrow circle he has declared that he supports "offers on the beginning of discussion of admission of India and Pakistan in full members". And still after a while the relevant documents have been signed by

heads of the countries.

So far it isn't clear as far as the platform of SCO to allow to pull together two of these countries, however in the morning the prime minister of India Narendra Modi and his Pakistani colleague Nawaz Sharif have held a bilateral meeting. On its results the press release where it was said about "the goodhearted atmosphere", and also that Modi have accepted the invitation to visit Pakistan during there the summit of Southern Asian Association of Regional Cooperation (SAARC) in 2016 has been published. Besides, the parties have agreed to hold meetings of advisers for national safety and to discuss questions of fight against terrorism and a possibility of acceleration investigation on the case of acts of terrorism in Mumbai.

According to the senior research associate of Institute of oriental studies of the Russian Academy of Sciences Vladimir Sotnikov, all this isn't casual and the accession to SCO promotes improvements of the relations of two neighbors. However there is no full confidence in success of it, the expert since for India the problem with Pakistan remains one, most important problem considers. It is inflow from the territory of Pakistan of Mujahideens and Islamists, first of all, to the disputed State of Jammu and Kashmir (RIA Novosti, 2015).

Event of enormous value the director of the Center of partnership of civilizations of Institute of the international researches of MGIMO (U) the Russian Foreign Ministry Veniamin Popov called the entry of India and Pakistan. In his opinion, SCO becomes really enormous Euroasian organization, with a huge political weight. Two nuclear powers of Asia, as a result four nuclear powers join this organization (taking into account the Russian Federation and China) are united in one organization and it changes an alignment of forces on the geopolitical world map (RIA Novosti, 2015).

CONCLUSION

Active interaction between the states of the CIS and People's Republic of China is decisive factor successful development of activity of the Shanghai Cooperation Organisation, but it isn't possible without joint positive efforts of all participants of the Shanghai process. Now efforts of Russia and China are directed first of all to the fastest transformation of SCO to the versatile mechanism allowing to realize most effectively a number of coinciding Russian-Chinese strategic tasks within the extending Central Asian geoeconomic space.

Interests of member states of SCO in Central Asia in many respects coincide, especially in maintenance of political stability and ensuring economic development of the region. The countries of SCO are faced by common problems of control of forces using Central Asia as base of expansion and deepening of national separatism, regional extremism and the international terrorism.

The interaction mechanism within SCO is effective and urged to provide transformation of this forum into influential geopolitical and geoeconomic force in regional, and subsequently, perhaps, and on a global scale.

Need of economic cooperation of member countries of SCO is caused by the fact that on its channels the organization could solve not only strategic problems, but also influence economic and political and social processes in the Central Asian region, and in full consent with the principle of non-interference to internal affairs and respect for national sovereignty.

In general, despite growth problems, the Shanghai Cooperation Organisation turns into really operating, authoritative international organization. Existence of serious international structure among which working languages is Russian and Chinese, but isn't present English, attracts to SCO more and more the new interested partners from other regions of the world. SCO remains the organization developing, in many parameters which wasn't defined, but with big prospects. Most likely, ahead it has a long period of self-adapting and understanding of the created community. Respectively, participation in integration of member countries will be defined by the multispeed mode. Whether SCO will become the international organization of new type to which the part of sovereignty of the participating states will be delegated whether will remain in reality a forum of independent or collective ideas, practice will show.

Especially we would like to select the following provisions:

- Now the concept of social and economic development of Russia needs to be considered

through a prism of integration which important direction is the Central Asian region. In the former Soviet Union new tendencies from which it is necessary to distinguish are formed: strengthening of centrifugal forces, erosion of the allied relations of Russia, and also actual disintegration of the uniform former Soviet Union. In these conditions the organization capable to highlight the general long-term interest of Russia, the countries of Central Asia and China – joint economic development and stable development of huge midland space of Eurasia needs understanding of importance of SCO as.

- the Shanghai Cooperation Organisation is one of the largest and influential regional organizations with participation of the Russian Federation now. From the moment of creation in 2001 SCO has passed a number of stages of development and was transformed from political, resolving mainly safety issues and military cooperation, to multidisciplinary organization which field of activity questions of economic and welfare cooperation of member countries also include.

The structures which are responsible for direct development of trade and economic cooperation of Russia, China and the Central Asian republics from which it is necessary to distinguish Business council, the Interbank Consortium and the Forum of SCO have been created.

- As the main priorities and problems of the Russian Federation within development of cooperation with the State Parties of SCO it is necessary to allocate: providing a favorable international situation for development and modernization of Russia; strengthening of a role of the Russian Federation in system of the interstate relations; expansion and formalization of integration processes of the CIS countries; preservation of control of the Russian Federation over regional energy resources; ensuring economic interests of Russia in the region; preservation of a common economic space with the states of Central Asia for deduction of rather capacious market for sale of the production and steady import from the region of a number of agricultural and industrial goods.

- At the present stage the economic relations of Russia, China and the Central Asian countries are characterized by existence of extremely difficult complex of problems on the way of development of mutually beneficial cooperation. It is necessary to distinguish from the main problems: a problem of raw orientation of economies of the countries of Central Asia and Russia, a problem of development of transport communications in the region, a divergence of political

and economic interests of the Russian Federation and the People's Republic of China, and also lack of system of collective financing of multilateral projects within SCO.

- Guarantee of overcoming of the existing problems between Russia, China and the countries of Central Asia is the general long-term interest – formation of the powerful economic block which will promote strengthening of positions of member countries of SCO in world economy. However considerable activization and strengthening of coordination of activity in SCO is necessary for realization of capacity of the organization. Power cooperation, creation of joint ventures, development of transport communications and systems of pipelines, development of information technologies, and also cooperation in development and use of water resources have to become the main directions of economic cooperation.

- Positions of Russia in world economy are weaker then Chinese ones, therefore interaction with the People's Republic of China within SCO for the purpose of coordination of economic cooperation is a necessary measure. Refusal of the coordinated multilateral economic cooperation within the organization will lead to considerable strengthening of a role of China in this region due to the Russian interests. The People's Republic of China has necessary economic means which can be involved in a case of reduction of the coordinated interaction with Russia. Within SCO steady institutes which will allow Russia are created, being a participant of community, to keep and expand economic and political influence in the Central Asian region.

LITERATURE

1. Bayakhcheva S.L., Anokhin V.P., 2007. Arch of instability. Available at: <http://www.rustrana.ru/article.php?nid=24002>. [Accessed 1 July 2016]
2. Boiko V.S., 2007. Big Central Asia and Russia: peculiarities of historical-civilized, geopolitical and economic interaction, *Projects of cooperation and integration for Central Asia: comparative analyses, possibilities and perspectives*, Ed. by A. A. Knyazev, Bishkek, p. 54.
3. Changing Minds, 2013. Winning Peace: A New Strategic Direction for U.S. Public Diplomacy in the Arab and Muslim World. Report of the Advisory Group on Public Diplomacy for the Arab and Muslim World. Available at: http://www.state.gov/documents/or_2anization/24882.pdf. [Access 17 July 2016]
4. Chernyavskiy S.I., 2013. Policy of Russia in central Asia and Transcaucasia in 1992-2002. *South part of CIS: Central Asia – Kaspi – Caucuses: possibilities and challenges for Russia*. Moscow, Center of post-Soviet researches MSIIR, p.53.
5. China Embassy web-site, 2013. Compiled Interview of Chairman Khu Tsintao with participation of correspondents from member-states of Shanghai Cooperative Organization. Available at: <http://ru.china-embassy.org/chn/shhzzz/zyjhwhj/t24657.htm>. [Access 2 July 2016]
6. China Outlook 2015. KPMG Global China Practice. Available at: <https://home.kpmg.com/cn/en/home/industries/global-china-practice.html>. [Accessed 11 July 2016]
7. China Statistical Yearbook 2014, 2015. China Statistics Press ISBN/ISSN : 9787503773680.
8. Chjan Tszigan, 2013. Report about possibilities of business development in Western part of China. *Issledovaniye predpriyati*, 10, p. 15.
9. Chzhao Khuashen, 2010. Some notes on perspectives of development of SCO. *Research of scientific problems*, 3, p. 23-27.
10. Chzhen Yui, 2007. China, Russia and USA in Central Asia: cooperation and competition. (1991–2007). *Beijing: Public-scientific literature*, p. 575.
11. Cloud B., 1989. Regional policies in Germany. *OECD*. Paris.
12. Counsel of Federation of Federal Assembly of RF, 2008. Problems and perspectives of Russian federalism development: materials of scientific-practical conference. Moscow.
13. Deutsch K., 2008. The Analysis of International Relations. New Jersey: Prentice-Hall, Inc.
14. Fedynsky P., 2013. Shanghai Cooperation Organization Seeks to Expand Energy and Security Influence Voice of America. Available at: <http://www.voanews.com/English/2007-08-16-voa9.cfm>. [Access 11 June, 2016]
15. Friedmann J., Wolff G., 2002. World city formation: An agenda for research and action. *International Journal of Urban and Regional Research*, 3, p.68.
16. Garcilazo E., 2010. Improving productivity in lagging regions. Regional development policy division. *Public governance and territorial development directorate. Paradigm Shift in regional policies*.
17. Gonidec P.-F., Charvin R., 1984. Relations internationales. Paris, p.435.

18. Gryaznov L., 2013. About visit of Y.M.Primakov in Kabul and Teheran, *Diplomatic news*, 15, p. 65.
19. Haas, E., Schmitter, P., 2004. Economics and Differential Patterns of Political Integration: Projections about Unity in Latin America. *International Organization*, 18 (4), p.26.
20. Haas, E., 1958. The Uniting Europe: Political, Social and Economical Forces. 1950—1957, London.
21. Hanntington S., 2013. Clash of civilizations. Moscow, JSC «Izdatelstvo AST».
22. Hicks D., Nivin S., 2000. Beyond globalization: localized returns to IT infrastructure investments. *Regional studies*, 34, p. 44.
23. Interview with Yao Peisheng, Ambassador Extraordinary and Plenipotentiary of the PRC. Available at: <http://www.winne.com/kazakhstan/vi01.html>. [Accessed 23 June 2016].
24. Joint Chinese-Russian Declaration, signed by Khu Tsintao and Putin in Beijing [electronic resource]. Available at: <http://ru.china-embassy.org/rus/xwdt/t307521.htm>. [Access 15 July 2016]
25. Kazantsev A. A., 2014. Geopolitical multi-vector nature in modern Central Asia and interests of CSTO. *Analytical materials of the Center for Euro-Atlantic safety MSIIR (U) MIA RF*, p. 3-5
26. Kim N.P., 2010. Place and role of SCO in the world economic development. Available at: <http://www.kisi.kz/site.html?id=3866>. [Accessed 13 July 2016]
27. Knyazev A.L., 2011. Kirgizia and Russia: safety, cooperation and perspectives of development in central Asian context. *Report, prepared under order of the Fund "Heritage of Eurasia"*. Available at: <http://www.eurasianhome.org/doc/knyazev.pdf>. [Accessed 8 June 2016]
28. Komissina I.N., Kuratov A.A., 2015. Shanghai Cooperative Organization: generation of new reality. Moscow RISI.
29. Koshanov L., Khusainov B., 2011. Problems of integration of the Central Asian states. *Central Asia and Caucasus*, 1, p.15.
30. Krupnov Y. V., 2006. The sun in Russia is rising from the East. *Molodaya gvardiya*, p. 34.
31. Krushinskaya K., 2013. Americans are expelled from Central Asia. Available at: <http://www.utro.ru/articles/2005/07/06/455744.shtml>. [Access 5 July 2016]
32. Kubicek P., 1997. Regionalism, Nationalism, and Realpolitik in Central Asia. *Europe-Asia Studies*, 49, (4), p. 629-647.
33. Larina N.I., Kiselnikov A. A., 1998. Regional policy in the countries of market economics. *NSAE and A*. Moscow.
34. Lexin V.N., 2009. To Methodology of research and regulating of territorial development processes. *Region: economics and sociology*, 3, p.102.
35. Lillis J., 2014. 'Central Asian Leaders seek to improve regional cooperation', Eurasia Insight. Available at: www.eurasianet.org/departments/insight/Articles/eav090706. [Accessed July 15 2016]
36. Lillis J., 2013. Central Asian Leaders seek to improve regional cooperation. Eurasia Insight Available at: (www.eurasianet.org/departments/insight/Articles/eav090706). [Access 23 July 2016]

37. Lozanskiy E., 2011. Russia between America and China. Moscow, International relations.
38. Luzyanin S.G., 2005. Russian and China in Central Asia. Problems of SCO development. Russian-China relations. Condition. Perspectives. Moscow, IDV RAN.
39. Luzyanin S.G., 2012. Shanghai Cooperative Organization: model of 2008 sample Available at: (www.analitika.org). [Access 1 July 2016]
40. Malashenko A. Benefit from integration of the Central Asian countries – debatable question. Available at: (<http://www.ferghana.ru/article.php?id=5183>). [Access 10 July 2016].
41. Malashenko A.V., 2012. Integration deadlocks in Central Asia. *Projects of cooperation and integration for Central Asia: comparative analyses, possibilities and perspectives*, Ed.by A.A. Knyazev, Bishkek, p. 16.
42. Marketos T., 2009. China's Energy Geopolitics: The Shanghai Cooperation Organization and Central Asia. *Routledge Contemporary China Series*. Routledge.
43. Maslov A.A., 2014. SCO in two heads. Russia and China fight not only with one-polar world, but only with each other for influence in organization. *Nezavisimaya gazeta*, 65.
44. Matveyev V.A., 2013. Status and prospects of economic development of the countries of Central Asia - members of SCO. *Shanghai Cooperative Organization: interaction for development*, Ed. A.F.Klimenko. Moscow: IDV RAN, p. 20-59.
45. Mukhamedzyanov A., 2006. Water resources of Central Asia: problems and perspectives. Available at: (<http://www.centrasia.ru/newsA.php?st=1156136880>). [Accessed 30 June 2016]
46. Nakanune.ru. Analytical materials. Available at: <http://www.nakanune.ru/articles/13564>. [Access 10 July 2016]
47. Nicole J. Jackson, 2003. Russian Foreign Policy and the CIS: Theories, Debates and Actions, London and New York: Routledge.
48. Niklas Swanstorm, 2012. China Conquers Central Asia Through Trade. Central Asia Caucasus Analyst. Available at: www.cacianalyst.org. [Access 30 June 2016]
49. Nikonov D., 2008. SCO- view from Tajikistan. Available at: <http://www.warandpeace.ru/ru/reports/view/26330/>. [Access 17 July 2016]
50. Pan G., 2014. China and Central Asia: Charting a New Course for Regional Cooperation. Shanghai: COSCOS.
51. Panfilova V., 2012. Dangers of the Silk Way, *NG*, 10 (12), p.66.
52. Paramonov V., 2005. China and Central Asia state and perspectives of economic relations. *Defense Academy of the United Kingdom Conflict Studies. Research Centre Central Asian Series*, 05(25) (R). Available at: [www.da.mod.uk/CSRC/documents/CentralAsia/05\(25\)\(R\)-VP.pdf](http://www.da.mod.uk/CSRC/documents/CentralAsia/05(25)(R)-VP.pdf). [Accessed 15 May 2016]
53. Paramonov V., 2006. Stokov A. Russia and Central Asia: state and perspectives of economic relations. *Defense Academy of the United Kingdom Conflict Studies. Research Centre Central Asian Series*, 06/31 (R). Available at: [http://da.mod.uk/defac/colleges/csrc/document-listings/ca/06\(31\)VPRussian.pdf](http://da.mod.uk/defac/colleges/csrc/document-listings/ca/06(31)VPRussian.pdf). [Accessed June 15 2016]

54. Pavlov A., 2014. Strategic orientations of external economic relations of Russia in conditions of globalization. Moscow. Nauka.
55. Pervin A., 1999. Federalism and regional relations. (Experience of Russia and Western Europe). Moscow.
56. Peter Fedynsky, 2007. Shanghai Cooperation Organization Seeks to Expand Energy and Security Influence. *Voice of America*. Available at: <http://www.voanews.com/english/2007-08-16-voa9.cfm>. [Access 10 July 2016]
57. Peterson J., 1995. Policy Networks and European Union policy making: a reply to Kassim. *West European politics*, 18 (2), p. 392.
58. Pinder J., 1991. European communities: The building of the Union. GB: Oxford.
59. Powell C.L., 2013. A Strategy of Partnerships. *Foreign Affairs*, 83, p. 22–34.
60. Rhodes R., 2007. Understanding Governance. Policy Network, Governance, Reflexivity and Accountability. Buckingham, Philadelphia
61. RIA Novosti, 2015. India and Pakistan in SCO. Electronic recourse, available at: <http://ria.ru/world/20150710/1125082765.html#ixzz4Fhvrds2V>. [Access 15 July 2016]
62. Rosenau J., Czempiel E.-O., 2012. Governance without Government: Order and Change in World Politics. GB: Cambridge.
63. Salitski A., Salykova A., 2012. Economic regionalization and SCO problems (taking points) SCO: formation and development problems. Materials of international conference. Almaty: IMEP.
64. Salitskiy L., 2007. The Beijing consensus or change of milestones in world economy. *Industrial news*, 7. Available at: <http://www.promved.ru/articles/article.phtml?id=1216&nomer=44> [Accessed 3 June 2016]
65. Sbragia A., 2012 Thinking about the European future: the Uses of Comparison in Euro politics, Washington, D.C.
66. SCO energy ties. *Energy Daily*, 2012.
67. Shanghai Cooperative Organization, 2009. InfoSCO. Available at: www.infoshos.ru. [Access 8 July 2016].
68. Siren R., 1996. The Studies of cities: Popular perceptions, academic disciplines, and emerging agendas. *Preparing for the urban future: Global pressure and local forces*. Washington.
69. Site of Russian foreign trade: <http://www.rusimpex.ru/index1.htm?varurl=Content/Economics/> - Россия со странами ШОС. [Accessed 17 June 2016]
70. State governing and policy: textbook, Ed. By L.V.Smorgunov, 2015. Stb: Publishing house of Sankt-Petersburg University, p. 43.
71. Sun Zhuangzhi, 2004. Economic collaboration in central Asia and the SCO» in K. Santhanam and Ramakant Dwivedi (eds). IDSA. New Delhi.
72. Sun Zhuangzhi, 2012. Economic collaboration in central Asia and the SCO in K.Santhanam and Ramakant Dwivedi (eds), India and Central Asia: Advancing the common Interest. IDSA. New Delhi.

73. The Institute for War and Peace Reporting, 2011. SCO Members to Sign Energy Charter. News Briefing Central Asia Update.
74. The New Silk Roads: Transportation and Trade in Greater Central Asia, Ed. by F. Frederic Starr, 2014. Washington.
75. Thomas K., 2007. Creating regional cultures of innovation? The regional innovation strategies in England and Scotland. *Policy review section*, 10, p.33.
76. Tolipov F., 2015. The theory and practice of regional integration in Central Asia. Available at: <http://www.analitika.org/article.php?story=20050302061032204>. [Accessed 5 June 2016]
77. US Department of States. Available at: <http://usinfo.state.gov/cur/Archive/2006/Jan/06-202680.html> [Accessed 22 May 2016]
78. Vallerstain I.G., 2010. Geopolitical situation at post-Soviet territory and external policy of Russia. Moscow, JSC «Izdatelstvo AST».
79. Van Khaiyan, 2013. History and perspectives of relations of trade-economic cooperation of Chinese Xinjiang with countries of central Asia. *Elosy Chjunya Dunou shichan*, 6.
80. Wang Jian, 2012. Concerning the question of ways for development of Shanghai Cooperative Organization: from the position of the Theory of Public Goods Approach). *Social sciences*, 8, p. 67-73.
81. Wang Jian, 2014. To the question about choosing the ways of development of Shanghai Cooperative organization: from the position of public welfare. *Social Sciences*, 8, p.67-73.
82. Warikoo K., 2010. 'Central Asia and China: The Geopolitical Imperatives' in Geopolitics and energy Resources in Central Asia and Caspian Sea region in ed Shams-ud-din. *Lancer's Book*, New Delhi, p. 253–264.

The review of the organizations, studying SCO in some countries.

In this Appendix we have an opportunity to consider what research institutions and specific experts study the Shanghai Cooperation Organization in organization member countries, and also in the leading research centers of Europe and the USA.

1. CENTERS OF STUDYING OF SCO IN THE PEOPLE'S REPUBLIC OF CHINA

1. a) Shanghai

In Russia opinions are quite often heard, that in the organization, created at the initiative of the People's Republic of China the Chinese interests dominate. At the same time it is admitted, that from their party also notable work that the Shanghai Cooperation Organization became reality, but not next - "a soap bubble" is made. The Chinese experts in the field of the international relations, in general, very positively speak about activity of SCO and pin great expectations on its successful development.

Among the existing research schools it should be noted the Chinese scientific institutions with a world name where in recent years, in connection with the growing relevance of a subject of multi-vector cooperation and interaction with the republics of Central Asia "The centers of studying of SCO" (as in Fudan University) or "The centers of studying of Russia and Central Asia" have been created. This problem has entered a circle of priority research tasks and directions. First, it is necessary to say about the centers, which are directly in Shanghai, whose special atmosphere of interpenetration of cultures and civilizations has formed a basis for definition of a peculiar feature, the basic beginning of the new organization of "Shanghai spirit".

• *Center of Russia and Central Asia, Center of the Shanghai Cooperation Organisation of Fudan University.*

Established a few years ago, the center carried out purely coordination duties, but not research tasks at the beginning. However, in 2005 the decision on profound studying of Russia has been made. Since then the center began to be formed as important research point, dealing with the issues, connected with domestic and foreign policy of the states, adjacent with China, members of SCO. Professor Zhao Huasheng, the leading expert on problems of SCO and the author of numerous scientific publications, also in Russian, such as: "SCO - an assessment of activity and a problem of development", "Some remarks concerning prospects of development of the Shanghai Cooperation Organization", has headed the center.

- *Center of the Russian researches of the East Chinese pedagogical university.*

The center has been established in 1999 on the basis of the former Shanghai institute of USSR and Eastern Europe existing since 1981. Peculiar feature of this center is an integrated interdisciplinary approach to problems of Russia and the former USSR. In the center departments of policy, economy, the international relations are created. The center issues the specialized magazine "Russian researchers", own website on the Internet is created. The director of the center is one of the leading specialists in Russian philology of Shanghai, professor Feng Shaolei.

- *Institute of Eastern Europe and Central Asia of the Shanghai Academy of Social Sciences (SASS).*

Today its director is the famous expert in the field of the international relations professor Pan Guang.

Main directions of researches: long-term prospects of development of the Chinese-Russian cooperation, the relation of Russia with the adjacent states, safety issues of Russia in the changing world, the comparative analysis of the Chinese and Russian model of political and economic transformation, modernization of the Russian society. At SASS in 2000 the first in China and in the world has been created a center, specializing on processes of "The Shanghai five" (after SCO).

The program of actual research tasks of the Center includes such problems as power cooperation within SCO, influence of the Iraqi war on a zone of responsibility of SCO, SCO and a denuclearized zone in Central Asia, the analysis of a possibility of expansion of member structure of SCO, prospect of activation of cultural cooperation, the analysis of the relations of SCO with other regional and international organizations. Among the famous researchers it is necessary to mark out the employee of Institute of the Eurasian researches SASS Li Lifan, who is engaged in a subject of development of SCO more than 5 years and is the deputy director of the SCO Center at SASS. Among his publications are the following: "The potential of trade cooperation between Russia and China" ("A world economic review", Special release, 2002) "China, Russia, the USA and their geopolitical strategy in Central Asia" ("World economy", 2003/4), "The American NGO on a chessboard of Central Asia", (Gotszi venta yandzyu, No. 6, 2005, p. 38-41).

- *Department of Russia and Central Asia of the Shanghai Institute of the International Researches (SIIR)*

SIIR is a subordinated establishment of the government of Shanghai and exists more than 40 years. In 1999 in SIIR the department of Russia and Central Asia, which is headed at the moment by professor, the economist Li Xin (the deputy director - Qiang Xiaoyun) has been created. The Shanghai Institute of the International Researches (SIIR) is well-known for the innovative developments in the field of the international relations, the solution of problems of safety and development of regional cooperation, research of experience of integration and design of future development of China and its interaction with other countries. In 2008 SIIR became the only the Chinese research establishment, which has entered "Ten leading think-tanks of the world (except the USA)" by results of the research "Foreign policy research center", Philadelphia.

b) RESEARCHES of SCO in Beijing

In Beijing where the headquarters of SCO is located, a number of research institutions which specialists, investigate dynamics of development of the organization works, make expert reports, recommendations for the government of the People's Republic of China and branch departments.

- *Department of Russia and Eastern Europe of the Chinese research institute of the international problems.*

The institute is subordinated structure of the Ministry of Foreign Affairs of the People's Republic of China, which is engaged in the complex analysis of the international relations. The director of institute is Ma Chzhengan. The institute issues the magazine - "Research of the international problems". It is possible to distinguish, that Mr. Shi Ze from the scientists acting on problems of SCO, in the presents time - the adviser of Embassy of the People's Republic of China in the Russian Federation, the former adviser for public affairs of Embassies of the People's Republic of China in Kazakhstan and Tajikistan. Questions of interaction of world powers, the relations with Russia and the countries of Central Asia, safety of the western border regions of the People's Republic of China enter a circle of his scientific interests.

- Institute of Russia, Eastern Europe and Central Asia of the Chinese Academy of Social Sciences (CASS).

The institute edits and issues two magazines: "Researches of Russia and Central Asia" and "Market of Russia, Central Asia, and Eastern Europe". At institute the scientific organization, which prepares for the publication of article and the book on the specified

problems works: research on the order of Ministry of Foreign Affairs of the People's Republic of China "Strategic concept and political measures for stimulation of development of SCO", (a group of authors led by Put Zhuangzhi, "Research of demographic problems of Central Asia", (By Hongwei).

Certainly, the subject of SCO interests many scientists across all China. The attention in the Center of research of Central Asia at Lanzhou University (professor Jan Shue, the latest works - "New turn in the relations of Russia and the countries of Central Asia", Institute of the international strategy at Central Committee of Communist Part of China (Zuo Fengrong), the author of a series of publications about the Russian-Chinese relations, Institute of the international relations of the Chinese public university (professor Chen Sinmin), the Chinese institute of the international strategic researches (generally it is publications in the Gotszi Chzhanlyue Yantszyu magazine (The international strategic researches) of such authors as Guo Zheng, Zhang Wenwei, Syuyp, Chengning.

2. STUDYING OF SCO IN RUSSIA.

Russia, being one of initiators and active participants of the Shanghai organization, naturally pays worthy attention to new regional integration association in the political-scientific discourse. If to speak about specialized institutions and a personnel, it should be noted the Center of strategic problems of Northeast Asia and SCO of IDV Russian Academy of Sciences under the leadership of Luzyanin S. G. Research associates of the center participate in the international conferences and "round tables", interact with direct developers of "Shanghai model", publish the annual collection of scientific articles of leading experts of Russia.

One more Center of research of East Asia and SCO has been founded at MSIIR (U) of the Russian Foreign Ministry. The director of the center, Alexander Lukin edits the popular scientific magazine "Russia — China of the 21st Century". Regularly the Shanghai Cooperation Organization becomes a subject of separate research projects and scientific conferences of Lomonosov ICAA of Moscow State University, Institute of World economy and the international relations of the Russian Academy of Sciences, Institute of economy of the Russian Academy of Sciences, Institute of oriental studies of the Russian Academy of Sciences, Russian institute of strategic researches, the Center for studying of the countries of the Post-Soviet abroad of RGGU, Institute of history, archeology and ethnography of DVO Russian Academy of Sciences, the St. Petersburg university, Moscow state linguistic university, Russian Peoples'

Friendship University.

3. RESEARCHES OF SCO IN KAZAKHSTAN.

The Kazakhstan Institute of Strategic Researches (KISR) at the President of Kazakhstan is distinguished from analytical groups of the Republic of Kazakhstan. Works of research associates are presented on KISR website - <http://www.kisi.kz>. Analysts of the Central Asian republics pay special attention to the analysis of a new geostrategic situation in their region when the young people of statehood who are in a stage of formation and judgment of the national identity appeared between China, gaining strength, political weight and traditionally dominating in this region Russia. Works of researchers of KISR cover a wide range of questions among which, mechanisms are interactions of SCO with other regional organizations (the CSTO, the CIS, EurAsEC), regional security and cross-border threats, attempts of judgment of a community of destiny of the Central Asian republics.

4. STUDYING OF SCO IN THE USA.

Specifics of a discourse on SCO in the USA consist that the USA isn't either a member, or the observer of this association, which gradually is built at the boundaries which aren't entered in system of regional security and cooperation "in American style" yet. This territory if to speak in terms of geopolitics, covers strategically important space, includes routes of transportation of energy carriers, control over which is included into the concept of "national interests" of the United States.

Speaking about the American expert community, we mean certain experts, than about the institutionalized centers of researches. One of such experts is Stephen Blank . Doctor of historical sciences of the Chicago university, expert in the USSR and former Soviet Union. Now S. Blank actively works on problems of distribution of the nuclear weapon, new contours of safety in Eurasia.

The director of institute of Central Asia and the Caucasus, John Hopkins's University of the USA Frederick Starr is engaged many years in the solution of a research problem of determination of strategic viability of the states of Central Asia, the Caucasus and Afghanistan. He was the adviser of three U.S. Presidents for problems of Russia and Eurasia. He is one of the authors of the project of "Big Central Asia" (BCA) offered in 2005, which some researchers in Central Asia and Russia consider as "anti-SCO". This documentary registration of the updated strategy of the USA which works by the principle "everybody will have enough place". It means

that Washington recognizes interests of Russia and China in the region and is ready to reckon (at least formally) with them, including to recognize influence of SCO.

5. STUDYING OF SCO IN FRANCE.

Approach to the analysis of the international relations from positions of traditional political realism, which postulates that masters of the situation on the international scene are great powers is characteristic of the French school of political researches. In the foreign policy they are guided first of all by national interests, which inevitably are in conflicts with each other and lead to the interstate conflicts and wars. Being interested in strengthening of own safety, for maintenance of balance of forces, they form the unions, including integration educations. The similar logic is traced in Isabelle Facon work "The Shanghai Cooperation Organization - ambitions and interests of Russia". Deserve attention also a work of the independent European research center - the French institute of the international relations (Institut Francais des relations internationales - IFRJ), and in particular - directors of the program of the Russia/CIS - Thomas Gomart. He analyzes dynamics, the main tendencies, a condition of the Russian influence in the former Soviet Union space.